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# *Italian* **AFFAIRS**

DOCUMENTS  
AND NOTES

*THE ITALIAN GOVERNMENT'S REPORT  
ON SOMALIA TO THE UNITED NATIONS*

*BALANCE AND PROSPECTS OF PRODUCTIVITY*

*INDUSTRIALIZATION OF THE SOUTHERN  
PROVINCES*

*COMMERCIAL AIR TRAFFIC*

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**R O M E**

**PRESIDENCY OF THE COUNCIL OF MINISTERS OF THE ITALIAN REPUBLIC  
INFORMATION SERVICE**

*This Handbook, which contains factual and statistical information about Italy compiled from official and authoritative sources, is not intended to be exhaustive, but to provide basic data on the main aspects of Italian life.*

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## THE ITALIAN GOVERNMENT'S REPORT ON SOMALIA TO THE UNITED NATIONS

### Results of political, economic and social planning in 1956

The foundations of a future independent Somalia were laid with the creation of political and administrative departments, i. e. the Legislative Assembly and Local Government which began operating in 1956.

*The Legislative Assembly*, formed through free political elections, has permitted the will of the people of Somalia to be interpreted through the examination and approval of various bills, while the *Local Government*, within the limits of its power, operates through the various branches of Public Administration. *The Court of Justice*, as the supreme legal body, guarantees the absolute independence of the judicial activity from any other authority.

During the course of 1956, the progressive evolution of the country permitted the process of turning public functions over to Somali people to be speeded up and completed, thus accomplishing a paramount goal of the Trusteeship Administration. Local administration is now almost completely in the hands of Somali officials, while the gradual inclusion of suitable elements, able to assume technical and administrative responsibilities in Government Departments, is proceeding smoothly. The new organization of municipalities has enabled the Somali population to approach and understand local problems with a higher sense of responsibility.

*Economic policy* has included several problems of development of natural resources and of improvements in the living standard. The results of these plans would have been conspicuous had not world events which occurred during the second half of 1956 greatly influenced the general economy of the Territory. Modifications to normal sea routes had repercussions on foreign trade and related activities. But, regardless of these contingent factors, the problems related to the development of local resources still remain and continue to call for careful examination on the part of the Administering Authority. These are problems of paramount importance to the future of Somalia and they were closely investigated by the World Bank Mission during its visit to the Territory. The report drafted by the Mission clearly illustrates how much technical and financial aid the future independent State will require.

The *social policy* of the Italian Administration and local Government has been directed towards control of the more common diseases, and development of the educational structure already existing within the Territory and based on that used in Italy. In such a policy,



great help has been received from specialized organizations which have been created to this end.

Major events during 1956, may be summed up as follows:

*Politics* – February 29: General Elections for the Legislative Assembly; April 30: first session of the Somali Legislative Assembly opened by the Administrator in the presence of the Italian Undersecretary for Foreign Affairs, Alberto Folchi; May 7: institution of the Somali Government; May 17: appointment of a Prime Minister and, on his proposal, nomination of members of a Somali Cabinet; October 10: approval of a national emblem; October 27: election of the first Mayor of Mogadiscio.

*Economics* – March 14-21: Somalia's participation to the first F.A.O. Congress in Cairo for the study of problems connected with fodder production and livestock breeding in Mediterranean and Near Eastern countries; March-April: visit by a World Bank Mission; August 19: opening of a steel bridge across the Juba; August 19: inauguration of a number of silos built in the Margherita region; October 12: opening of a new street in Mogadiscio, known as Via XII Ottobre; October 8-21: Somalia's participation to the Middle East Conference on a World Agricultural Census in 1960, its official representatives including one Somalo; November 1: coastal tanks built by AGIP near Mogadiscio started operating.

*Social Policy and Education* – April 14: conclusion of the naval exercises undertaken by students of the Professional Maritime and Fish-

**STRUCTURE OF THE TERRITORIAL ADMINISTRATION  
AFTER THE CONSTITUTION OF THE SOMALI GOVERNMENT.  
(Decree of May 18, 1956)**

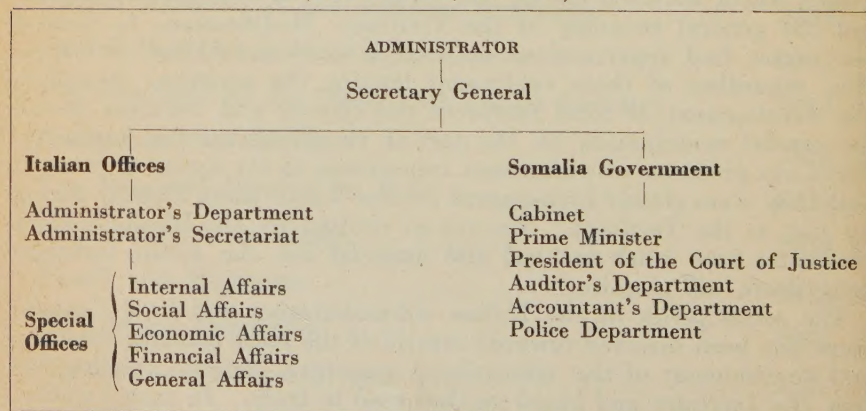


Table I — PERSONNEL OF THE TRUSTEESHIP ADMINISTRATION

(MF = male plus female personnel — F = female personnel only)

PERSONNEL	1952		1953		1954		1955		1956	
	MF	F	MF	F	MF	F	MF	F	MF	F
<i>Central Gov.</i> .....	1,547	57	1,310	43	2,256	33	1,384	30	1,604	41
<i>Italians</i> .....	399	40	310	39	277	30	273	24	231	24
<i>Somali</i> .....	1,050	15	999	4	978	3	1,109	6	1,367	17
<i>Others</i> .....	8	2	1	—	1	—	2	—	6	—
<i>Territorial Gov.</i> .....	3,469	208	3,619	241	3,528	255	3,513	275	3,412	267
<i>Italians</i> .....	420	82	469	109	448	127	389	36	390	128
<i>Somali</i> .....	3,032	122	3,140	132	3,066	128	3,104	138	3,013	138
<i>Others</i> .....	17	4	10	—	14	—	20	1	9	1
<i>Total</i> ...	4,926	265	4,929	284	4,784	288	4,897	305	5,016	308
<i>of which</i>										
<i>Italians</i> .....	819	122	779	148	725	157	662	160	621	152
<i>Somali</i> .....	4,082	137	4,139	136	4,044	131	4,213	144	4,380	155
<i>Others</i> .....	25	6	11	—	15	—	22	1	15	1

ing School; September 20: inauguration of the new Academic Year at the Senior Institute for Juridical, Economic and Social Sciences in Mogadiscio; October 1-5: Somalia's participation to the convention organized by the World Health Organization in Beirut, Lebanon; October 24: opening of the Somalia Court of Justice; December 7-21: visit by the World Health Organization expert, Dr. Lee Min Han.

The *Somali Government*, composed of the Prime Minister and the Cabinet, has been organized into the following departments: Prime Minister's Office; Ministry for Home Affairs; Ministry for Social Affairs; Ministry for Economic Affairs; Ministry for Financial Affairs; Ministry for General Affairs (see also Table on page 2170).

The *Italian population* residing in the Territory as at December 31, 1956, numbered 4,325, against 4,669 registered in December 1955. According to a census carried out in 1953 the local *population* was 1,263,584 living in an area of 461,541 sq. kilometres which embraces 1,631 villages and six cities in the six regions of Somalia (Migiurtinia, Mudugh, Hiran, Benadir, Upper Juba and Lower Juba).

## Agriculture

It is estimated that of an area of 461,000 square kilometres comprising the whole Territory, 18,100,000 hectares (39%) cannot be used for agricultural purposes; 20 million hectares may be used for grazing (43.5%) and 8 million hectares for agriculture. Apart from flooded zones, irrigated areas have increased by 32,000 hectares over 1955 and are divided as follows: millet, sorghum, maize, oil seeds: 71,010 ha; temporary grass fodder crops: 44,692 ha; tree crops and bananas: 12,500 ha; horticultural products: 510 ha. The total productive area set out above amounts to 128,712 ha.



Dry farming and farming in the vicinity of rivers have been the object of a careful plan followed by the Administering Authority with the cooperation of the «Fund for the Development of Somalia». Adequate technical assistance has been assured through the establishment of model farms and the distribution of tools and farm machinery. There has been a considerable increase in irrigated land along the banks of the Webbi Shebeli and Juba rivers and the 10,000 Ha under crops in 1955 had grown to 25,000 Ha by the end of 1956.

Table II - MAIN AGRICULTURAL PRODUCTS

C R O P	1955		C R O P	1956	
	Ha.	Q.		Ha.	Q.
Durra .....	473,000	560,000	Durra .....	313,400	504,600
Maize .....	79,000	540,000	Maize .....	71,600	500,600
Beans .....	3,500	6,500	Beans .....	2,500	5,200
Groundnuts .....	900	8,800	Groundnuts .....	1,295	12,818
Bananas .....	8,000	734,000	Bananas .....	(a) 8,800	650,000
Sesame .....	12,200	48,000	Sesame .....	11,500	29,800
Sugar Cane .....	3,200	104,000	Sugar Cane .....	(b) 2,500	88,909
Cotton (fibre) .....	10,450	8,700	Cotton (fibre) .....	6,100	4,400
Tobacco .....	300	3,300	Tobacco .....	200	1,100
Cassava .....	1,700	100,000	Cassava .....	—	—

(a) Area at July 1, 1956. — (b) Sugar produced.

*Stock breeding*, fairly well developed in Somalia because of the ecological characteristics of the region, has been constantly encouraged and improved by the Administering Authority. Priority has been given to improving irrigation facilities through the digging of new wells (57 in 1956) which also help to reduce distances between water points. According to the 1952 census, after which there have been no appreciable changes, livestock amounted to 842,000 cattle, 1,300,853 camels, 2,917,275 goats, 643,478 sheep, 250 horses and 19,195 donkeys.

### Industry, Trade and Artisan Industries

Apart from the processing of certain agricultural products and fodder, local industry is limited to meeting with the local needs (power stations, canning factories, mechanical workshops, etc.) and is composed of modest establishments. An exception to this rule is the S.A.I.S. sugar refinery at Villabruzzi which sold 57,756 quintals of sugar in 1954, 78,502 in 1955 and 94,725 in 1956.

The *Mogadiscio Fair*, which is organized every two years, proves to be a remarkable impulse to local industry, particularly the artisan trades. These include the characteristic «fute», much sought after in the countries bordering the Indian Ocean, leatherwork, ivory goods and earthenware vases. In order to encourage local industry and

investment in Somali economy in general, adequate measures have been adopted among which the abolition of customs' duty on machinery required for new industries or the modernization of the already existing ones, income tax exemptions, etc.

Table III - LICENSES ISSUED FOR ARTISAN, TRADE, BANKING, INSURANCE AND OTHER ACTIVITIES

YEAR CATEGORY CLASS	Migiur- tinia		Mudugh		Hiran		Benadir			Upper Juba		Lower Juba		Totals
	Lower Basin Cassim	Other Localities	Galcaia	Other Localities	Belet Uen	Bulo Byrti	Mogadiscio	Merca	Other Localities	Baidoa	Other Localities	Kismayu	Other Localities	
Artisan { 1955. ....	25	7	1	9	8	14	1,068	254	227	60	62	53	241	2,029
{ 1956. ....	8	5	9	6	5	12	1,127	268	228	57	75	81	226	2,107
Trade { 1955. ....	189	343	236	306	160	100	2,759	1,467	1,254	425	768	271	1,063	9,341
{ 1956. ....	106	349	279	371	162	117	2,791	2,230	1,271	342	739	661	1,122	10,530
1956														
Wholesale Trade	—	—	—	—	—	13	131	397	20	23	27	2	42	265
Import-Export ....	36	61	38	18	5	—	243	69	16	2	17	39	3	547
Retail Trade	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Foodstuffs .....	—	7	10	16	—	1	843	437	356	32	33	160	205	2,100
Various products ...	45	250	135	204	67	20	595	753	464	76	288	150	504	3,551
Tobacco and Matches	5	7	22	7	28	12	292	282	126	30	53	77	92	1,033
Commercial Travel- ling .....	—	—	—	—	3	—	64	3	1	66	6	—	13	156
Hotels, restaurants, Cafes .....	12	19	41	89	23	16	174	110	96	31	68	104	107	890
Entertainment ....	—	—	—	—	—	—	7	3	2	1	—	1	2	16
Auxiliary activities .	6	5	21	34	25	48	220	107	143	69	234	93	103	1,108
Banking, Insurance	1	—	—	—	—	—	4	3	1	1	1	1	1	13
Various .....	1	—	12	3	11	7	218	66	36	11	12	34	50	461

## Foreign Trade

The system ruling foreign trade and currency has been simplified by decree of April 25, 1956 (Law No. 15 of December 8, 1956) which leaves a wide margin to private compensation and to compensation admitted under the so-called «custom» regime. The process of liberalization of foreign trade, which started in 1954, has been thus intensified in 1956. The number of goods admitted to the private compensation system has been increased in favour of Migiurtinia and Mudugh in order to meet with the needs of those populations.

During 1956, imports amounted to 63,000 tons, for a «cif» value of 115 million somalos, as against 57,000 tons and 101 million somalos in 1955. Exports were as follows: 1956 - 64,000 tons for an «fob» value of 65 million somalos, as against 65,000 tons and 74 million somalos in 1955. The reduction in exports was mainly due to a drop in banana exports resulting from the closing of the Suez Canal. However, exports to the sterling area showed a sharp rise in 1956 as



Table IV - FOREIGN TRADE IN 1956

PRODUCTS	Exports		Imports	
	Quantity (Q.)	Value ('000 So-malos)	Quantity (Q.)	Value ('000 So-malos)
1. Foodstuffs .....	410,260	45,046.7	188,122	20,804.8
2. Beverages & Tobacco .....	98	16.8	11,888	3,622.9
3. Raw materials (other than foodstuff) ...	226,155	17,636.3	30,381	2,408.6
4. Fuel, mineral oils and allied materials ..	24	2.3	199,589	13,347.8
5. Animal and vegetable oils and fats .....	173	81.2	7,104	2,255.2
6. Chemical products .....	888	115.4	26,703	6,386.2
7. Manufactured goods .....	1,449	844.6	124,053	29,137.7
8. Vehicles and transport materials .....	318	382.6	34,975	31,016.5
9. Various manufactured goods .....	175	475.4	5,734	5,782.1
10. Various .....	508	379.8	167	117.2
<i>Total ...</i>	640,048	64,981.1	628,716	114,879.0

did imports from the same area of certain products (flour, cement and pulses) which were previously imported from other areas.

### Public Works

Public works programmes in 1956, as described in Table V, gave employment to 482 skilled workers and 1,254 labourers, for totals of 146,892 and 447,084 work days respectively. In all, 1,736 persons were employed for a total of 593,976 working days.

Table V - PUBLIC WORKS. APPROPRIATIONS IN 1956 (IN SOMALOS)

TYPE OF OPERATION	1956 Investments			
	Unproductive	Installations	Maintenance	Total 1956
Roads and highways .....	—	339,000	615,300	954,300
Airports .....	—	15,000	28,000	43,000
Port installations .....	—	186,700	92,000	278,700
Lighthouses and maritime signals .....	19,000	—	20,000	39,000
Housing, etc .....	1,071,400	—	567,000	1,638,000
Wells .....	—	—	640,000	640,000
River works .....	—	387,758	178,500	566,258
Power stations, workshops, installations, etc.	—	—	1,535,000	1,535,000
Hospitals, etc. ....	389,800	—	120,000	509,800
Prisons .....	60,000	—	60,000	120,000
Schools .....	355,735	—	154,265	510,000
<i>Total ...</i>	1,895,935	928,458	4,010,065	6,834,058

### Transport (Table VI).

*Motor transport* in the Territory showed an increase in 1956 (see Table VII). *Air transport* is carried out by *Alitalia-Linee Aeree Italiane* (weekly service along the Rome-Khartoum-Aden-Mogadiscio-Aden-Khartoum-Rome route) and *Aden Airways* (Aden-Hairgheisa-Mogadiscio-Nairobi-Mombasa-Aden). During the same year, airports were built at Candala and Dusa Mareb, while another is being construc-



Table VI - DEVELOPMENT OF ROAD NETWORK

TYPE OF ROAD	Length (kms)	TYPE OF ROAD	Length (kms)
Asphalt roads .....	602	Roads with natural foundations not maintained .....	2,431
Macadam roads .....	87	Average .....	1,292
Roads with natural foundations maintained .....	2,034	Below average .....	2,996
		<i>Total ...</i>	9,442

ted at Oddur. Modifications to runways were also carried out in 1956, in accordance with the general economic development scheme (1).

### Education

The Administering Authority has shown particular interest in education, above all in the training of personnel to be employed in public offices and primary schools. Courses have been opened both in Somalia and Italy, the latter being carried out by the Study Centre for Somalia in Rome (2).

Table VII - MOTOR VEHICLES REGISTERED AT DECEMBER 31, 1955 &amp; 1956.

T Y P E	1 9 5 5			1 9 5 6		
	Private	Public	Total	Private	Public	Total
Motor cars .....	1,413	107	1,520	1,588	134	1,722
Trucks up to 5 quintals .....	423	28	451	422	28	450
Trucks from 6 to 30 quintals .....	1,499	94	1,593	1,502	183	1,685
Trucks from 31 to 50 quintals .....	488	4	492	488	7	495
Trucks over 50 quintals .....	382	—	382	382	4	386
Special vehicles, maintenance vehicles .....	23	17	40	23	26	49
Buses .....	31	2	33	31	2	33
Trailers .....	422	12	434	422	12	434
Motorcycles .....	310	4	314	310	4	314
Light vans .....	11	—	11	11	—	11
Tricycles (powered) .....	1	3	4	1	3	4

(1) The solution of questions relating to the «Economic Development Plan for Somalia», foreign trade and relations with foreign and international economic bodies, was the responsibility of the Special Office for Economic Affairs during 1956. This agency is to be closed shortly and will be replaced by a *Planning Office*, an *Office for the Economic Development of Somalia* and an *International Committee for Economic Development*. These departments, within the limits of their competence, will have the task of studying, coordinating, financing and carrying out the various schemes approved for the economic progress of the Territory.

(2) Apart from several hundreds of students who are studying in various Italian cities under scholarships, courses were started in Rome in 1956 for Somali Government employees. Special training courses have also been arranged for elementary school teachers and cadet police officers, the latter being held at the «Scuola Allievi Ufficiali Carabinieri» in Rome.

## Budget (Table VIII)

Following the progressive political and administrative development of the Territory, it has been decided that, as from the 1957-58 financial year, the Italian Administration budget would be kept apart from that of the Somali Government. The local Government budget will have to refer to the routine administration all matters which lay within the competence of the Government itself (normal working expenses of that part of the Administration which is run by Somali personnel), while the budget of the Italian Trusteeship Administration covers all expenses connected with the Trusteeship, especially the financing of technical and investment programmes (technical personnel, administrative personnel, economic development of the territory, contributions to Somali Government budget, etc).

Table VIII – ESTIMATED AND FINAL INCOME  
(thousands of somalos)

SOURCE OF REVENUE	Financial Year 1956		Financial Year 1957
	Provisional	Final	Provisional
1. Rent on public property .....	244,500	407,119	337,500
2. Income tax .....	4,700,000	5,852,575	5,550,000
3. Excise duties .....	2,470,000	2,581,617	2,632,000
4. Customs duties and levies:			
import tax, warehouse dues .....	11,800,000	14,389,243	15,800,000
export tax .....	3,500,000	3,830,681	4,500,000
tax on manufactured goods .....	3,630,000	4,942,367	4,650,000
5. Monopoly revenues .....	5,232,000	5,567,412	5,435,000
6. Postal, telephone and radiotelegraph revenues ..	1,900,000	2,873,599	2,300,000
7. Maritime and airport dues .....	80,000	135,931	100,000
8. Revenue from other services:			
health and veterinary .....	750,000	1,174,992	1,050,000
agriculture, publishing .....	189,000	156,082	155,000
	908,000	2,310,079	2,680,000
<i>Total: normal revenue ...</i>	35,403,500	44,221,697	45,189,500
10. Italian State contribution for balance of civil and military budget .....	57,142,857	54,293,781	54,285,714
11. Other revenue .....	4,000,000	5,094,110	—
<i>General total ...</i>	96,546,357	103,609,588	99,475,214

During 1956, overall expenditure rose to 106,210,467 somalos, showing an excess of 9,664,110 somalos over the estimates. This increase was partly due to the new political and administrative structure introduced into the Territory and payroll increases of members of the Armed Forces. However, the excess expenditure was covered by higher local revenue and withdrawals from the reserve fund. According to the estimates, the 1957 budget should show considerable reductions in administrative expenses in the Territory. These are expected to drop from the 1956 figure of 32,950,405 somalos to 25,520,000 somalos.



## THE NATIONAL COUNCIL FOR ECONOMY AND LABOUR

### Regulations, activities and objectives

The creation of the National Council for Economy and Labour (Law of January 5, 1957, No. 33, published in the « Official Gazette » of March 9, 1957, No. 63) was an act which aimed at putting into effect the clauses contained in Article 99 of the Italian Constitution. This Article states :

« The National Council for Economy and Labour is composed, according to the provisions of the law, of experts and representatives of the productive categories, in such a manner as will take their numerical importance and their qualifications into consideration.

It is an advisory organ of Parliament and of the Government for such questions and duties attributed to it by law.

It has the right to promote legislation and may contribute to the drafting of economic and social laws according to the principles, and within such limits, as are laid down by law».

The National Council for Economy and Labour, by virtue of a Constitutional Charter, shall be included among auxiliary organs and such traditional departments as the Government Auditor's Department and the Council of State, but with special rights and faculties, and enjoying certain additional privileges, such as the drafting of legislation.

As to the functions and structure of the National Council for Economy and Labour, Article 99 of the Constitution sets out certain principles which represent the foundations of the new council. These principles may be summarized as follows: 1) The National Council for Economy and Labour must only be composed of representatives of productive categories and other experts; 2) the Council is a consultative body for Parliament and the Government; 3) the Council has the right to draft legislation; 4) The National Council for Economics and Labour may contribute towards elaboration of economic and social legislation.

On the other hand, the Constitution has left the way open to normal channels to determine the number of experts and representatives of productive categories who are to sit on the Council and the numerical ratio. Nor has it established any set limits as to the questions on which the Council may advise Parliament or the Government and permits other legal bodies to establish the principles and limits of the right to draft particular legislation and set out the methods through which the Council may contribute towards the elaboration of economic and social law (see pages 2180-2184).

When calculating the number of representatives of «productive categories», an attempt was made to give labour (considered in its widest sense) a position of pre-eminence over management. It was also considered opportune to emphasize the non-political character of the Council through the nomination of «experts» (20, a quarter of the members) by public departments, academies and the President of the Republic. These experts help to preserve a balance and wield considerable weight in deliberations. The Council also includes representatives of employed labour (25), representatives of self-employed workers, the professions, agricultural small-holders (13) and representatives of public and private entities specializing in social security and insurance (22). Regulations covering the appointment of members to the National Council for Economy and Labour and the nomination of a Chairman are contained in Articles 3-7.

The *functions* of the Council are as follows: a) consultation; b) petitions and cooperation in drafting legislation; c) promoting legislation; d) research and documentation. The Council, therefore, expresses opinions on questions relating to political economy, finance, and social security, as also on all matters concerned with general economy and labour. It may not, on the other hand, concern itself with constitutional law or Bills which relate to the individual budgets of the various ministries or the final statements of account which are published.

The last paragraph of Article 99 of the Constitution established that the National Council for Economy and Labour has the right to propose legislation. This is an essentially important characteristic which gives the Council a standing far different from that of the more traditional bodies, such as the Council of State and the Auditor's Department. Article 10 of Law No. 33 declares that the Council is authorized to propose Bills, drafted as articles, on matters referring to economy and labour, but excluding questions directly concerned with constitutional law, tax legislation and budgets, as also delegation of power and authorization to ratify international treaties. Such matters are covered by Article 72 of the Italian Constitution which sets out the relative procedure.

In order to ensure that all legislation drafted by the Council is directed towards definite objectives, it has been established that all Bills be formally considered by members and voted by absolute majority, after which they must be approved by at least two thirds of the components of the Council. The only limitation to the activities of the National Council for Economy and Labour is that foreseen by Article 11, by virtue of which it may not present Bills when either the Government, the Chamber of Deputies or the Senate have asked



its opinion on matters contained in the said Bills, or when the Government has already presented a similar Bill to Parliament.

Since Article 99 of the Constitution authorizes the Council to contribute towards the elaboration of legislation concerning economic and social questions, Article 12 sets out the limits and the nature of such contributions, recognizing that the council shall undertake surveys into particular problems and situations directly concerning economy and labour when the Government, the Chamber of Deputies or the Senate shall so require. The aim for such research is to collect information and data which will enable Parliament to formulate specific legislation.

As to the functioning and organization of the Council, it has been established that it shall meet whenever the Chamber of Deputies or the Senate shall so require, whenever its President shall consider it necessary, or when at least one quarter of its members shall make written request. The Council may also ask that the opinion of representatives of Public departments, or persons whom it considers particularly competent in questions which are being discussed, be heard during meetings.

The Italian legislator, in drafting the technical regulations concerning the functioning of the Council, has been somewhat influenced by the experience of the French Council, in existence for more than thirty years, and has taken advantage of the numerous modifications and improvements which have been introduced. For example, it was decided to adopt the principle that discussions should not be made public and that the publication of labour documents and those containing technical opinions should only take place after due deliberation. Such a practice, it was thought, would discourage any attempts at using Council decisions and opinions for political ends, and would ultimately be to the advantage of the Council itself in the reaching of objective considerations. However, the viewpoint of the minority is accepted as a valuable asset and guarantee whenever the questions which are being discussed are put to the vote.

Article 19 of the relative law also authorized the dissolution of some of the senior councils of the various main Public departments and of other bodies, such as the Central Committees, since their existence is now no longer necessary, their functions having been taken over by the National Council for Economy and Labour.

During the Cabinet meeting of December 27, 1957, Meuccio Ruini was appointed Chairman of the Council, in accordance with the procedure set out in Articles 3 and 4 of the Law of January 5, 1957.

During the same meeting the 79 members of the Council were also appointed, as set out in Articles 2 and 3 of the Law.

**Law of January 5, 1957, No. 33: Composition and Tasks of the National Council for Economy and Labour.**

Art. 1. — This law authorizes the creation of the National Council for Economy and Labour, as foreseen by Article 99 of the Constitution.

Art. 2. — The National Council for Economy and Labour shall be composed of:

a) seven representatives of industrial workers; five representatives of agricultural workers, including crop-sharers; three representatives for trade employees and one for tourism; three representatives for transport workers; two representatives for employees of banks and credit institutes; one representative for insurance employees; one representative for fishermen; one representative for municipal workers enterprises; two representatives for industrial managers;

b) two representatives for professional categories; five representatives for agricultural smallholders (including persons leasing small holdings, farm tenants, etc); three representatives for artisan trades; three representatives for production and wholesale cooperatives;

c) four representatives for industry, chosen in such a way that big, medium and small industry shall be represented; three representatives for agricultural undertakings; two representatives for trade and commerce; three representatives for transport companies; a representative for ordinary credit institutes; one representative for saving banks and loan institutes; a representative for insurance companies; a representative for the fishing industry; a representative for tourist services;

d) a representative of municipalized enterprises;

e) a representative for the Institute of Industrial Reconstruction;

f) two representatives for public departments of a national character and connected with social services;

g) twenty persons who shall be considered as economic and social experts, as under;

1) nine appointed by the Senior Councils for Public Instruction, Statistics, the Mercantile Marine, Agriculture, Public Works and by the Central Committees for Employment, Unemployment Assistance; by the National Research Council, the Inter-ministerial Committee for Credit and Savings and by the Union of Chambers of Commerce, Industry and Agriculture, irrespective of other representatives;



- II) three appointed by the National Academic Union;
- III) eight appointed by the President of the Republic.

Art. 3. — The members of the National Council for Economy and Labour shall be appointed under a decree signed by the President of the Republic, on proposals offered by the Prime Minister after consultation with the Cabinet.

Until such time as the law authorizing application of Article 99 of the Constitution shall come into effect, the appointment of members as set out in *a*), *b*), *c*), *d*) of the previous article, shall be the responsibility of existing labour union organisations, which shall duly consider the importance of the categories to be represented.

Representatives of the professions shall be appointed through request to representative bodies of these professions by the Minister of Justice.

The nomination of those members included under *e*) and *g*), numbers I) and II) of the previous article shall follow approaches to the national bodies concerned.

Members included under *f*) of the previous article, shall be appointed after the Administrative Committees of the Public Departments have been requested, from time to time, by the Minister for Labour and Social Security, and shall be chosen from among those persons specializing in social services and insurance.

Request for appointments as per the previous second, third and fourth paragraphs shall be the responsibility of the competent ministers.

Should selection not be made within thirty days of request, the Cabinet, on the proposal of the Prime Minister, shall be responsible for making the appointment.

Should failure to nominate candidates be the result of disagreement between the interested organizations on the ratio of representatives, the Prime Minister, after the said period of thirty days, shall convoke the organizations for the purpose of reaching agreement. If this attempt should fail, appointment shall be made by the Cabinet as per the preceding paragraph.

Art. 4. — The Chairman of the National Council for Economy and Labour shall be appointed, over and above the members set out in Art. 2, through a decree signed by the President of the Republic, on the proposal of the Prime Minister, after consultation with the Cabinet.

The Council shall elect its own two vice-chairmen from among its members.

The Chairman and the two vice-chairmen shall constitute the executive office of the council.

Art. 5. — Persons appointed as chairmen or members of the Council must be in full possession of civic and political rights.

The loss of civic or political rights shall mean that the person or persons concerned may not exercise his or their office. Removal from office shall follow the same procedure as nomination.

Membership of the National Council for Economy and Labour is incompatible with membership of Parliament.

Members of the Council shall be indemnified for their duties and shall be entitled to reimbursement of expense incurred during duties on behalf of the Council.

Art. 6. — Members of the National Council for Economy and Labour shall not be limited by any mandate.

Art. 7. — The Chairman and members of the National Council of Economics and Labour shall remain in office for a period of three years. They may be re-elected at the end of this period.

In the event of the death, resignation or dismissal of the Chairman or any member of the Council, a successor shall be appointed in conformity with the regulations set out in Article 3. His period of office shall correspond to that of the Chairman or member he is replacing.

Art. 8. — The Chamber of Deputies, the Senate and the Government may ask for the opinion of the Council on matters relative to economic, financial and social policy, and also on all<sup>3</sup> questions relating to economy and labour.

The decision to ask the Council for any opinion may be discussed by the Chamber of Deputies or the Senate at any time prior to the closure of a general debate.

The competent Minister shall ask for the Council's opinion in the name of the Government. Opinions expressed by the Council on Bills drafted by the Government shall be sent to the Chamber of Deputies and the Senate at the time the said Bills are to be discussed.

The Council may also contribute towards the drafting of legislation or matters included in the first paragraph of this present article and shall inform the Chamber of Deputies and the Senate of its opinions and observations.

The Council shall have no competence in drafting laws concerning constitutional matters or those relating to estimates for income and expenditure of the various Ministries or final balances.

Art. 9. — Opinions which the Chamber of Deputies, the Senate or the Government may ask of the National Council for Economy and Labour must be given within the limits established by the organ making the request. The Chairman of the Council shall have the right to ask for an extension if required.

When submitting its opinions, the Council shall also include such documentation as it considers suitable.



Particulars must also be given of any dissent on the part of a minority in the Council.

Art. 10. — The National Council for Economy and Labour shall have the right to propose Bills to Parliament, drafted as articles, on questions relating to economy and labour, providing that the said Council shall have previously formally considered the contents and obtained an absolute majority in favour and shall have subsequently discussed the draft and obtained an absolute majority in the presence of at least two thirds of its members.

The Council shall not draft legislation relating to constitutional law, tax laws, the Budget, delegation of legislative authority or authorization to ratify international treaties.

Bills drafted by the Council shall be sent by the Chairman to the Prime Minister who, within three days, must submit them to the Chamber of Deputies or the Senate.

Art. 11. — The legislative powers of the National Council for Economy and Labour may not be exercised over any matter on which the said Council has been approached by the Chamber of Deputies, the Senate or the Government, or on any Bill which the Government has already submitted to Parliament.

Suspension of the Council's right to promote legislation, as per the preceding paragraph, shall remain in force for a period of six months following publication of the relative law or after the Bill has been disapproved by either the Chamber of Deputies or the Senate.

Art. 12. — The National Council for Economy and Labour, on the request of the Chamber of Deputies or the Senate or the Government, may carry out surveys or enquiries into questions which are its competence.

Art. 13. — The Regions may ask for the opinion of the Council on matters in which it is competent.

Art. 14. — The National Council for Economy and Labour shall assemble whenever the Chamber of Deputies or the Senate or the Government shall so require, or when the Chairman calls for such a meeting, or when at least one quarter of its members shall make a written request.

The Council shall be convoked by the Chairman who shall arrange the agenda for individual meetings.

Art. 15. — Chairmen of the Parliamentary Standing Committees and members of the Government shall have the right to attend meetings of the Council and its committees, but they shall not have the right to vote. The Council may request that the opinions of representa-

tives of Public Departments or persons which the Council considers competent on questions being discussed, be heard at such meetings.

State departments and all public offices shall furnish data and information requested by the Council through the competent ministries.

Art. 16. — The meetings of the National Council for Economy and Labour shall not be held in public.

The regulations contained in the following Article 17 shall govern publications of the minutes and discussions of the Council.

Art. 17. — The National Council for Economy and Labour shall be responsible for drafting its own regulations which shall be approved by a decree issued by the President of the Republic, on the proposal of the Prime Minister.

Art. 18. — The National Council for Economy and Labour shall have a Secretary General, to be appointed through a decree of the President of the Republic, on the proposal of the Prime Minister, after the opinion of the Cabinet and the Chairman of the Council has been heard.

The office of the Secretary General shall be composed of personnel belonging to the State Administrative Services and appointed to the Council.

Art. 19. — The following bodies are no longer functional: The Central Industrial Committee, created under the Decree of the Lieutenant of the Realm on March 12, 1946, No. 211; the Central Committee for Foreign Trade, created under Royal decree on May 30, 1946, No. 459; the National Economic Council created within the framework of the Interministerial Committee for Reconstruction under a decree issued by the Prime Minister on August 10, 1947 and the Senior Council for Internal Trade, created under a decree issued by the Provisional President of the Republic on September 25, 1947, No. 948.

Art. 20. — Expenditure incurred in the functioning of the National Council for Economy and Labour shall be entered under a special section of the budget for the Ministry for the Treasury.

All items concerning expenses, within the limits of the funds available, shall be signed and issued by the Chairman of the National Council.

Art. 21. — The financial outlay contemplated under the present law, estimated at 50 million lire, shall be covered, during the 1956-57 financial year, by provisions contained in section No. 495 of the regulations relating to authorized expenditure of the Ministry for the Treasury during the said financial year.

The Minister of the Treasury shall be authorized to issue official decrees relative to variations in the budget.



## BALANCE AND PROSPECTS OF PRODUCTIVITY IN ITALY

### The Contribution made by the National Committee for Productivity to National Economy.

The idea of productiveness is today a common characteristic of any modern programme for economic development. Independent of the political form in use, each country, even those of modest economic level, is aware of the need to adopt methodological practises and systems peculiar to this particular branch of study.

Thus, productivity is of public interest and the problems connected with it appear to be of such vast importance and of such influence on the lives of people, that the State has been obliged to assume direct responsibility in their solution. It was this which led to the creation of *National Centres for Productivity* in diverse countries, all of them charged with the task of encouraging productivity. This move accompanied the efforts which were being made by the Organization for European Economic Cooperation and U. S. missions. At the beginning of 1950, the Council of the Organization for European Economic Cooperation suggested that «the governments of member states encourage the work of those organizations interested in questions of productivity and methods for increasing it». It also observed that those member states, which had no specific bodies for the study of problems of productivity and their solution, take opportune measures for the creation of such offices which would receive the help necessary to initial operations.

The Italian Government, accepting the opinion of the Council of the O.E.E.C. and in answer to the demands advanced in this country, authorized the creation of the «National Committee for Productivity» (C.N.P. – *Comitato Nazionale Produttività*) in October 1951. The Committee, apart from experts recommended by professional organizations and Public Departments, also includes a chairman and a vice-chairman who preside over the Council for Coordination elected by the members of the Committee. The National Committee itself has two important objects: research and study and practical application.

#### Research and Study

The C.N.P. maintains steady international relations and takes part in all conferences promoted by various agencies of the O.E.E.C. to discuss problems relative to productivity, particularly the European Agency for Productivity. Internally, there are six sub-committees which examine problems of a technical, economic and social nature, and various work groups which study questions relative

to the specialized sectors of production and distribution. Research and study undertaken by the C.N.P. may be grouped as follows:

**Studies on the «human factor»:** the psychological and physiological aspects of factory labour; social relations in the factory, with special reference to technical training, collaboration, the role of the labour union organizations, joint consultations and bilateral statements; problems of wages and salaries.

**Studies on vocational training and applied research:** the object and methods of vocational training and technical instruction; schemes for improving and widening training programmes; apprenticeship problems; schemes for the development of applied scientific research and publication of results; questions of university education in relation to personnel.

**Studies on the technique of production:** unification, simplification and specialization; relationship between technological progress and employment of manpower (technological unemployment); problems of factory organization.

**Studies on distribution:** structure of Italian commerce; distribution costs; sales organization; market research and analysis.

**Studies on economic and financial problems:** characteristics of the Italian economic structure; cost of money in Italy; relationship between fiscal policy and productivity (fiscal pressure and relationship between different types of tax).

On a theoretical and experimental plane, the C.N.P. also carries out surveys into the *technical and economic meaning of various possible indices of productivity, their value*, and research into the state of efficiency of certain industrial sectors.

**The Work Groups are mainly concerned with the following:**

**Mechanical Industry:** provisions and methods which will make Italian mechanical production cheaper, in view of a growth in home and foreign sales.

**Agriculture:** consolidation of small holdings; organization of productive services and management; model farms.

**Textile industry:** national and regional enquiries into textile consumption and its relation to other economic factors, particularly seasonal fluctuations; relationship between the various sectors of the textile industry; structure and characteristics of sales in Italy.

A group of experts for **Building** and another for the **Statistical quality control** have also been created.

### **Application and Experimentation**

Following the same paths which dominate its study and research programme, the C.N.P. also makes sure that the principles and exper-



iments which are the foundation of its activities are properly applied so that they become examples for future action. This more directly concerns programmes for «model factories». By this title, the C.N.P. means those factories which, with the assistance of the Committee, introduce a programme which covers improvements to their productive efficiency and which pledge themselves to divide the consequent benefits with their dependents.

### Model factories

The choice of factories depends upon the following points which have been drafted by the Council for Coordination of the C.N.P. after discussions with representatives of management and labour organizations:

- a) factories producing consumer goods;
- b) products which the market will absorb in larger quantities according to price reductions or quality improvement;
- c) the possibility of obtaining results which are easy to demonstrate;
- d) no call for high investments;
- e) reputation for solid administration;
- f) medium industrial establishments with no more than 1,000 employees.

By reason of its multiple activities, the C.N.P. has made substantial contributions to the following objectives:

- to contribute, through its proposals, towards the creation of a situation which favours greater production and distribution efficiency;
- to create, through the distribution of information and practical example, greater efficiency in the factory;
- to create a social atmosphere in which all elements engaged in economic activity collaborate towards wider and better production;
- to hasten the process of supplying all members of the community with the benefits of increased productivity, particularly the standard of living of the working classes;
- to reach rational and total employment of all existing resources - manpower, technical methods, capital - in Italy.

The C.N.P. began its work in February 1952 with study and research and practical demonstrations of how to improve productivity. This, which was considered as an initial phase by the Committee, came into operation immediately and was reviewed later in 1954 when, in view of greater prospects for development and deeper penetration in certain sectors, Government intervention brought modifications to the structure of the Committee and a widening of its authority.

These changes to the structure and methods, in order to bring them closer to the new tasks entrusted to the C.N.P., were the result of the accepted need to assure continuity, and the new appropriations authorized by the *Law of July 31, 1954, No. 626* which considered the constitution of a *fund* under the control of the Presidency of the Council of Ministers. This fund amounted to 2,700 million lire and was to be used for those schemes aimed at technical assistance and furthering productivity. The same law, within a general programme of assistance to productivity, also approved further appropriations of 10,175 million lire, divided as follows:

a) 1,100 million lire for contributions to the *European Agency for Productivity* (AEP), created within the O.E.E.C. (at the disposal of the Ministry for Foreign Affairs); b) 2,500 million lire for the launching of a programme which covered low-price urban and rural housing, including studies on building technique to obtain major results (appropriations included in the budget of the Ministry of Public Works); c) 6,755 million lire for the creation, at the Treasury, of a permanent revolving fund through which loans could be made to medium and small industry, commercial undertakings, farmers and artisans, and also to those cooperative movements concerned with exploiting economic resources or labour possibilities in accordance with programmes for increases in productivity.

Financial aid was assured under the *Interim Aid Lire Fund* created under the 1948 agreements between Italy and the United States (the U. S. legislation governing foreign aid was amended by the Benton-Moody proposal, which suggested that part of such aid be channelled to research into increases in productivity). Law No. 626 provides the necessary authority, calling for 2,700 million lire to be set aside as a fund «for the application of technical assistance programmes». Part of this sum was employed during the preliminary phases and a further 560 million lire were used to support special schemes concerning the labour unions, promoted by the Federation of Free Trade Unions (CISL) and the Union of Italian Labour (UIL). During the financial year 1956-57, funds available to the CNP were further increased by Government appropriations of 200 million lire, included in the Treasury budget.

A decree issued by the Prime Minister on October 22, 1954 (*Official Gazette* No. 1, January 3, 1955), calls attention to the «requirements connected with the application of the Law of July 31, No. 626 which concerns modifications to the structure of the National Committee for Productivity, which is responsible for the drafting and carrying out of productivity programmes contemplated by the said law». Under this new decree, the C.N.P. was composed of a Chairman and



experts appointed by the Prime Minister on behalf of the Treasury, the Ministry of Labour, the Ministry for Industry and Commerce, the Ministry of Agriculture, the Ministry of Foreign Trade, the Ministry of Public Works, the Ministry of Public Instruction and the Interministerial Committee for Reconstruction, plus six experts chosen from candidates presented by management associations, six from labour unions under the requirements of the O.E.E.C. and two experts representing factory technical management. The Committee was also authorized to elect its own Executive Junta composed of 11 members. Members of this Junta include the Chairman of the National Committee, three representatives of management, three representatives of labour, one representative of technical management and three representatives for administrative branches.

The Committee, in fact, represents a common meeting ground for a variety of interests which, if limited by reasons of antagonism, would most certainly not contribute towards the cause of productivity. There is no doubt but that the contributions made by the Committee have been possible because of the whole-hearted collaboration of the associations and organizations of which it is composed; the ministries concerned with labour and economy, the federations of industry, agriculture and trade (for management), the C.I.S.L. and U.I.L. (for democratic labour), C.I.D.A. and the National Association of Italian Engineers and Architects and representatives of technical circles.

In the international field, the C.N.P. is one of the European national centres for productivity associated to the *European Agency for Productivity*, created in 1953 in Paris for the purpose of stimulating and coordinating the efforts of the O.E.E.C. member states.

In Italy, the C.N.P. performs its duties through a system of close collaboration with numerous organizations and associations, participating in various courses, missions, conventions, meetings, etc. and taking an active interest in all experiments and trials (1).

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(1) A considerable number of associations and organizations have been formed following Italian interest in productivity. Some of them, not always the most important, are the direct result of efforts by the C.N.P. They include: The Italian Association for Market Research, Rome; the Technical Trade Centre for Productivity, Rome; the Italian Association for Statistical Quality Control (A.I.C.Q.), Milan; the Italian National Association for Automation (A.N.I.P.L.A.); the Italian Association for Public Relations, Rome; the Italian Technical Association for Office Administration, Rome; the Institute for Industrial Training (A.A.I.), Milan; the Institute of post-University Training in Industrial Organization (I.P.S.O.A.), Turin; the Senior Institute of Industrial Employers and Managers (I.S.I.D.A.), Palermo; the Study Centre for Industrial Accountancy, Vicenza; the Study Group for Programmatic Problems and Production Control (Vicenza, Udine, Bologna); the Service for Applied Research, Padua; the Credit Information Service, Palermo.

At the beginning of 1956, in view of the many experiments undertaken in other provinces, it was considered opportune to open local associations, assisted by the C.N.P. but quite independent in operation and staffed by non-paid personnel. This led to the founding of «Provincial Centres for Productivity» (C.P.P.) which represent the outposts of the Italian scheme for increasing productivity. At June 30 1957, this structure was divided into 4 «exhibition zones»: *Vicenza, Palermo, Salerno, Monza*, and 23 «Provincial Centres for Productivity»: *Trieste, Padua, Treviso, Bologna, Reggio Emilia, Genoa, Massa Carrara, Siena, Naples, Bari, Udine, Ravenna, Venice, Verona, Arezzo, Macerata, Forlì, Terni, Trento*, all of which are presently engaged in applying schemes for the spread of technical productivity.

In order to train factory groups and persuade management to accept the principles of productivity, special international and national training schemes have been organized. Italian private industry has been responsible for such new institutes as I.P.S.O.A. of Turin, and I.S.D.A. in Rome; the I.S.I.D.A. at Palermo, was created under the auspices of the C.N.P. for the training of personnel concerned with industrial development in the southern regions.

The C.N.P. spreads its technical information through a special distribution agency, exchange of technical notes with the O.E.E.C., a publication entitled «Selezione tecnica» and a news bulletin. This means that there is a useful exchange between Italy, the European nations and the United States, which permits industry to obtain solutions to technical and organizational problems on the basis of foreign experience.

Much has also been done in the way of technical aid. Between 1952 and 1957, 122 missions were formed with 1,199 members and, thanks to this exchange with other countries, it has been possible for Italian technical experts to acquire new knowledge in all the diverse sectors of productivity. An important contribution has been made through the production of *documentary films* (the C.N.P. now possesses 404 technical documentaries and 55 slides) and the organization of a *technical library* (about 10,000 publications) equipped with apparatus for micro-photographic reproduction of documents.

At this point, mention should be made of the *loans for productivity* instituted with the Law of July 31, 1954, No. 626. A quota of the funds received under United States aid was set aside for a specific purpose, that is, the creation of a revolving fund for the concession of loans to medium and small industry to encourage modernization of organization and equipment and so achieve improved production. Requests for loans under this law are submitted to the «Centrobanca» for financial control and to the C.N.P. for technical control. This



particular scheme began in November 1955 with the announcement of a new form of credit assistance to medium and small industry and examination of requests began in January 1956.

An analytical examination of data relative to the distribution of these requests, according to sector and region, brings to light some interesting information.

Table I - PRODUCTIVITY LOANS: REQUESTS PER MONTH

1956 - MONTHS	No. Demands	1957 - MONTHS	No. Demands
May .....	26	January .....	13
June .....	15	February .....	10
July .....	16	March .....	27
August .....	25	April .....	19
September .....	14	May .....	21
October .....	12	June .....	24
November .....	23	July .....	36
December .....	20	August .....	24
		September .....	27
Monthly average = over 22%			

Table I shows the distribution of the requests per region and sector of activity. The situation, at September 30, 1957, was as follows: requests received - 532; total credit required - 10,734,584,807 lire; total cost of programme 21,025,644,247 lire; requests examined at same date - 452.

Table II - PRODUCTIVITY LOANS: SITUATION OF « LOANS REQUESTED » AT SEPTEMBER 30, 1957

REGIONAL DISTRIBUTION	No.	DISTRIBUTION PER ECONOMIC SECTOR	No.
Piedmont .....	37	Agriculture .....	38
Lombardy .....	65	Artisan .....	20
Venetia .....	75	Commerce .....	117
Emilia .....	90	Foodstuffs .....	76
Liguria .....	8	Paper .....	21
Marches .....	31	Chemical and allied .....	13
Tuscany .....	35	Building .....	33
Umbria .....	33	Mining and Quarrying .....	9
Abruzzo .....	11	Timber .....	27
Latium .....	52	Mechanical .....	108
Campania .....	32	Textile .....	48
Apulia .....	18	Various .....	11
Calabria .....	10	Transport .....	4
Lucania .....	7	Tourism .....	4
Sicily .....	26	Rubber .....	3
Sardinia .....	2		

The loans which have been made indirectly concern 16,736 employed persons, as Table III shows.

**Table III - PRODUCTIVITY LOANS**  
**DISTRIBUTION OF FACTORIES FINANCED, BY NUMBER OF EMPLOYEES**  
 (Requests approved as of 9/30/57 : 231)

Number of factories assisted - having employees			Total number of dependants	Amount of Assistance given (in thousands of Lire)	Amount of budgeted activity (in thousands of Lire)
Up to 50	50 to 100	Over 100			
146			2,441	1,726,400	4,330,357
	34		2,442	758,000	2,416,745
		51	11,853	1,483,000	3,697,163
TOTALS			16,736	3,967,400	10,444,265

Table IV shows how assisted factories are distributed according to their production sector.

**Table IV - PRODUCTIVITY LOANS**  
**DISTRIBUTION BY PRODUCTION SECTORS**

No. of Loans	PRODUCTION SECTOR	Assistance given (thousands Lire)	No. of Loans	PRODUCTION SECTOR	Assistance given (thousands Lire)
24	Agriculture .....	227,500	10	Timber .....	202,200
6	Artisan .....	130,500	55	Mechanical .....	1,327,500
44	Commerce .....	520,200	23	Textile .....	404,500
34	Foodstuffs .....	493,000	2	Various .....	13,000
11	Paper .....	191,000	1	Rubber .....	15,000
8	Chemical .....	177,000	1	Tourist .....	30,000
11	Construction .....	216,000			
1	Mining .....	20,000	231		3,967,400

The overall cost of loans made up to September 30, 1957, amounted to 10,444,265,201 lire. As Table IV shows, the greater number of loans (55 of which were approved) concern the *mechanical industries*, being mostly confined to small undertakings in this sector and those factories manufacturing precision instruments. The high technical level common to this branch explains the better quality of the proposals made and the higher number of requests for loans eventually approved. But a reasonably high number of loans were also made to the *food industries* (34) for particular care was given to demands received from this sector. The 44 loans made to *trade and commerce* mostly concern wholesale food enterprises which have proposed new sales programmes and new food processing schemes. This sector also includes companies dealing in the processing and export of horticultural products and some of them, with the help of these productivity loans, have been able to realize particularly modern and rational factories which have since been singled out as models on which others can

base their projects. 24 farms have also received these special loans which have been employed in large-scale breeding, the purchase of machinery and farm implements, crop rotation, and irrigation.

An exact judgment on the programme so far carried out cannot be reached without an examination of the quality and nature of the schemes which have been financed. To this end, competent circles have drawn up a classification of the objectives contemplated by the individual undertakings applying for a loan. This, in turn, refers to their industrial category or otherwise, and for each there is a set of statistics relative to the estimated cost and the amount of the loans made. Table V and VI set out data and programmes, sector by sector, as at September 30, 1957.

Table V – PRODUCTIVITY LOANS  
INDUSTRIAL AND COMMERCIAL PROJECTS FINANCED  
(Approved at September 30, 1957: 207)

CATEGORY	Cost of programme (Thous. Lire)	Loans approved (Thous. Lire)	CATEGORY	Cost of programme (Thous. Lire)	Loans approved (Thous. Lire)
Building .....	3,298,672	204,581	Publicity, fairs, etc. ....	68,630	30,500
Installations, machinery.	4,915,687	2,995,522	Training .....	43,500	40,500
Internal Transport ....	382,495	299,564	Laboratory research and experiments .....	39,700	24,800
Office and Accounting Organization .....	109,231	103,126	Operating capital .....	979,944	4,010
Market Research .....	26,322	23,122			
New sales systems .....	19,676	14,175	Total...	9,883,857	3,739,000

Table VI – PRODUCTIVITY LOANS  
AGRICULTURAL PROJECTS FINANCED  
(Approved at September 30, 1957: 24)

CATEGORY	Cost of programme (Thous. Lire)	Loans approved (Thous. Lire)	CATEGORY	Cost of programme (Thous. Lire)	Loans approved (Thous. Lire)
New crops .....	57,359	31,637	Processing .....	6,950	3,760
New breeding systems ..	72,000	29,000	Ground clearance .....	3,690	1,190
Farm buildings .....	68,050	41,100	Land improvement .....	8,850	—
General building .....	70,845	125	Training .....	1,230	1,230
Machinery and equipment	122,402	81,330	Working capital .....	50,300	—
Irrigation and electrical equipment .....	98,231	38,128	Total...	560,407	227,500

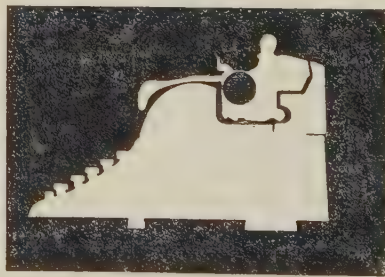
An examination of the data contained in Tables V and VI is particularly interesting. Analysing the nature of the schemes financed it is possible to reach very optimistic conclusions. One of the first things revealed by the figures is the large sum entered under *Installations and Machinery*. Low productivity is often the result of insufficient



equipment and a sincere programme of modernization is one of the best ways of overcoming this obstacle. Further, any plan which contemplates improved and modern installations and equipment can only be considered by an enterprise which is expanding and, from this viewpoint, due importance should be given those loans which have contributed towards factory development.

Second in order of importance, according to the loans made, is *Internal Transport*, of primary importance to the smooth working of any undertaking.

Of great importance are those contributions made towards the organization of *industrial accountancy, market research, training and laboratory research and experiments*. These are aspects and problems of modern factory organization which are more easily solved with the aid of productivity loans, and which permit medium and small industry to adapt their structures to the requirements of technical and economic planning. Very often, small and medium industry, through lack of capital or technical equipment, meet great difficulty in overcoming many of the obstacles with which it is faced, and it is at this point that the productivity loans have come to its aid and helped overcome the disadvantages which formerly assailed it in relation to large industry.



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## EDUCATIONAL LEVEL OF THE POPULATION

From a recent study computed by the Central Statistics Office, it has been possible to establish the educational level of the population, it being understood that educational level refers to the highest certificate of study obtained in any school

Of the 42,300,635 persons considered (see Table I), 422,324 stated that they had been to a university (for a minimum of 4 years) and obtained a degree (1%); 1,379,811 had received secondary school certificates or technical diplomas, including diplomas for obstetrics, music and art, as well as for statistics, elementary school attendants, etc., obtained after a course at university (3.3%); 2,514,474 had received lower secondary school certificates (5.9%); 24,946,399 had received passing-out certificates (3rd elementary), or an elementary certificate, or a certificate issued upon completion of a course taken in a type B, or popular school (the equivalent of a passing-out certificate), or in a type C «popular» school (the equivalent of an elementary certificate) (59%); 7,581,622 had not received any type of elementary certificate (passing-out), although they were able to read and write (17.9%); 5,456,005 were illiterate, that is unable to read or write, or semi-illiterate, that is able to read or only to write (12.9%).

Of those who had obtained *degrees*, 23.1% were in law, 20.9% in letters, philosophy, pedagogy, geography; 15.2% in medicine and surgery; 11.5% in engineering and architecture; 9.1% in economy and commerce; 8.2% in chemistry, industrial chemistry or pharmacy; 4.8% in veterinary science, languages or European or Oriental literature; 2.9% in physics or mathematics; 2.1% in agriculture or forestry; 1.1% in political science or statistics; 1.1% in natural science, biology or geology.

Of those who obtained *diplomas*, the greatest number were student teachers (36.9%), followed by students of technical institutes (32.6%), of classical colleges (22.3%), scientific colleges (4.4%), art colleges (2.9%) and other (0.9%).

From statistics furnished on *lower secondary school certificates*, 65.2% obtained the normal secondary school certificate (including that of the gymnasium) and 34.8% obtained technical certificates (including diplomas issued by technical or professional institutes).

Finally, from figures furnished on elementary school certificates, 48.1% received passing-out certificates, and 51.9% elementary ones.

On the total of each group, *female students* represent 19.3% of university graduates (4.4% in medicine or surgery; 33.9% in chemistry,

Table I - RESIDENT POPULATION OF OVER 6 YEARS OF AGE, BY EDUCATIONAL CATEGORY

EDUCATIONAL CATEGORY	Total No.	Years of age							
		Up to 21	21-25	25-35	35-45	45-55	55-65	65-75	Over 75
<i>Graduates</i>	422,324	98	11,169	146,025	110,899	71,138	41,678	28,396	12,921
— Medicine & surgery	64,244	—	988	21,972	16,441	11,787	6,126	4,070	2,860
— Chemistry, industrial chemistry, pharmacy	34,509	6	1,554	13,103	7,465	6,398	2,224	2,741	1,018
— Engineering & architecture	48,385	9	719	13,069	9,513	12,588	7,775	3,264	1,448
— Physics, mathematics	12,434	4	483	5,165	2,358	2,519	1,111	492	302
— Natural science, biology, geology	4,694	—	305	2,220	881	603	371	222	92
— Agriculture & Forestry	8,818	1	169	3,233	2,248	1,614	834	561	158
— Economy and commerce	38,366	8	349	9,754	16,935	7,931	2,724	543	122
— Law	97,542	20	2,734	28,708	25,375	14,901	12,568	9,319	3,917
— Political science, statistics	4,604	4	55	1,918	1,654	510	305	119	39
— Letters, philosophy, pedagogy, geography	88,450	30	3,277	38,677	23,545	9,401	5,805	5,383	2,332
— Other	20,278	16	536	8,206	4,404	2,886	1,835	1,682	633
<i>Holders of diplomas</i>	1,379,811	107,913	243,007	419,647	219,682	188,849	110,248	62,166	28,299
— Classical colleges	307,834	43,213	86,407	90,154	29,460	20,645	16,526	15,050	6,379
— Scientific colleges	61,289	10,178	19,870	19,939	4,358	3,092	2,158	1,138	556
— Student Teachers colleges	509,196	26,491	62,007	166,918	77,694	88,064	48,096	26,261	13,665
— Technical colleges	449,550	26,680	71,353	131,567	93,803	68,396	36,602	15,288	5,861
— Art schools	39,255	1,004	2,483	8,736	12,135	6,166	4,699	2,893	1,139
— Other	12,687	347	887	2,333	2,232	2,406	2,167	1,536	699
<i>Holders of lower secondary school certificates</i>	2,514,474	732,135	313,106	523,686	401,669	286,953	156,126	74,157	26,642
— Normal secondary school certificate	1,639,825	517,934	157,185	246,431	269,352	233,748	128,171	63,524	23,480
— Technical certificate and other	874,649	214,201	155,921	277,255	132,317	53,205	27,955	10,633	3,162
<i>Holders of elementary school certificates</i>	24,946,399	6,943,540	2,178,676	4,585,354	4,427,748	3,216,413	2,058,542	1,139,070	397,056
— 3rd Elementary school	11,999,936	2,840,405	698,128	1,827,051	2,327,011	1,953,975	1,326,222	762,654	264,490
— 5th Elementary school	12,946,463	4,103,135	1,480,548	2,758,303	2,100,737	1,262,438	732,320	376,416	132,566
<i>Literates but without any certificate</i>	7,581,622	3,416,134	299,592	667,810	915,787	827,522	709,170	503,685	251,922
<i>Illiterates</i>	5,456,005	876,321	236,742	499,600	735,459	804,964	932,049	845,819	525,051
<i>Totals</i>	42,300,635	12,076,141	3,272,292	6,842,122	6,811,244	5,395,839	4,007,813	2,653,293	1,241,891



industrial chemistry or pharmacy; 1.2% in engineering or architecture; 50.3% in physics or mathematics; 67.5% in natural science, biology or geology; 2.5% in agriculture or forestry; 4.7% in economy or commerce; 3% in law; 12.9% in political science and statistics; 50% in letters, philosophy, pedagogy and geography; 35.6% in veterinary science, languages and European or Oriental literature, 43.8% of the holders of diplomas (25.8% of classical colleges, 17.4% of scientific colleges, 78.7% student teachers, 19.2% of technical institutes; 52.4% of art schools; 51.3% other); 42.5% of the holders of lower secondary school certificates (42.3% of normal secondary school certificates, 42.7% of technical certificates and others); 51.0% of the holders of elementary school certificates (54.7% of the 3rd elementary grade, 47.6% of the 5th elementary grade); 51.9% of literate persons not holding a certificate of any nature, and 60.4% of illiterate persons.

In all phases of education, the greatest number of adult persons interviewed fell in the 25-35 age group, with the exception of graduates in economy and commerce, persons holding diplomas from art schools, secondary schools, 3rd elementary schools, as well as those literate persons not holding any certificate at all, who fell in the 35-45 age group. Illiterate persons fell into the 55-65 age group.

Of 42,300,635 persons interviewed over 6 years of age, 19,577,280 are practicing professions (46.3%) while 22,723,355 (53.7%) are not in professional activities, being part of the non-active population inasmuch as they are either seeking first employment, are studying, are housewives, proprietors, persons of independent means, pensioners, invalids, persons in rest homes or sanatoriums for indefinite periods, disabled persons, convicts serving a sentence of five years and over, persons living on public charity (see Table II).

The percentage of persons not in professional activities is sub-divided into the following groups: 17.6% holding degrees, 44.2% diplomas, 51.4% lower secondary school certificates, 49.5% elementary school certificates, 68% literates but without any certificate whatsoever, 59.3% illiterates.

Of persons interviewed who are practising *professions*, 42.2% are in agriculture, hunting or fishing (of these, 0.1% are graduates; 0.2% hold diplomas; 0.8% certificates of lower secondary school; 60.6% elementary school certificates; 17.9% are literate but without any certificate whatsoever; 20.4% are illiterate), 32.1% are in industry (of these, 0.6% are graduates; 2% hold diplomas; 7.3% lower secondary school certificates; 76.3% elementary school certificates; 8.8% are literate but without any certificate whatsoever; 5% are illiterate), 12.2% are in commerce or various services (of these, 2.5% are graduates; 4.1% hold diplomas; 10.5% lower secondary school certi-

Table II - RESIDENT POPULATION IN PROFESSIONAL ACTIVITY

EDUCATIONAL CATEGORY	Total No.	Of whom			Position in profession			
		Agriculture Hunting & Fishing	Industry	Commerce & Various Services	Administra- tors	Executives & Employees	Dependent Workers	Unskilled Workers
<i>Graduates</i> .....	347,865	8,712	39,190	60,104	109,432	234,077	671	3,685
— Medicine & surgery .....	56,619	586	560	302	31,737	24,735	58	89
— Chemistry, industrial chemistry, pharmacy .....	25,760	386	6,245	1,350	10,218	14,253	62	1,227
— Engineering & architecture .....	42,489	1,053	17,794	11,143	14,614	27,432	71	372
— Physics, mathematics .....	9,974	69	441	216	454	9,486	6	28
— Natural science, biology, geology .....	3,116	51	154	69	132	2,965	4	15
— Agriculture & forestry .....	7,526	1,756	591	1,113	2,086	5,228	7	205
— Economy and commerce .....	35,691	599	6,366	7,461	6,789	28,206	80	616
— Law .....	80,850	3,479	4,720	35,990	37,720	42,164	125	841
— Political science, statistics .....	3,759	249	552	545	673	2,879	139	68
— Letters, philosophy, pedagogy, geography .....	66,812	186	1,165	1,261	1,815	64,783	75	139
— Others .....	15,269	298	602	654	3,194	11,946	44	85
<i>Holders of diplomas</i> .....	769,521	19,946	127,065	98,780	91,751	634,440	26,087	17,243
— Classical colleges .....	110,251	4,536	12,528	12,949	13,002	91,443	3,089	2,717
— Scientific colleges .....	17,862	716	3,983	3,341	2,873	13,271	821	897
— Student Teachers colleges .....	282,646	1,889	12,493	11,507	7,561	268,921	3,594	2,570
— Technical colleges .....	329,225	12,414	94,486	63,008	59,413	241,484	17,707	10,621
— Art schools .....	21,722	195	2,660	7,172	7,336	13,426	647	313
— Others .....	7,815	196	915	803	1,566	5,895	229	125
<i>Holders of lower secondary school certificates</i> .....	1,221,799	69,703	456,741	251,433	188,517	582,201	367,472	83,609
<i>Holders of elementary school certificates</i> .....	12,592,043	5,002,253	4,797,406	1,557,490	2,849,531	378,315	6,877,447	2,486,750
<i>Literates but without any certificate</i> .....	2,424,961	1,479,807	551,619	270,618	754,188	28,001	1,241,381	401,391
<i>Illiterates</i> .....	2,221,091	1,680,739	317,712	156,746	611,838	1,012	1,194,879	413,362
<i>Totals</i> ...	19,577,280	8,261,160	6,289,733	2,395,171	4,605,257	1,858,046	9,707,937	3,406,400

cates; 65% elementary school certificates; 11.3% are literate but without any certificate whatsoever; 6.6% are illiterate), 13.5% are in various other sectors (of these, 9.1% are graduates, 19.9% hold diplomas, 16.9% lower secondary school certificates; 46.9% elementary school certificates, 4.7% are literate but without any certificate whatsoever; 2.5% are illiterate).

Table III - RESIDENT POPULATION IN PROFESSIONAL ACTIVITIES  
BY GEOGRAPHICAL AREAS

ACTIVITY SECTOR GEOGRAPHICAL AREA	Holders of				Without Cert.	Illiterate	Totals
	Degree	Diploma	Lower Sec. School Cert.	Elementary School Cert.			
Agriculture, hunting, fishing .....	8,712	19,946	69,703	5,002,253	1,479,807	1,680,739	8,261,160
— Northern Italy .....	2,952	9,148	35,545	2,511,871	343,891	196,814	3,100,221
— Central Italy .....	2,215	5,587	12,627	999,347	270,075	243,937	1,533,788
— Southern Italy and Islands .....	3,545	5,211	21,531	1,491,035	865,841	1,239,988	3,627,151
Industry .....	39,190	127,065	456,741	4,797,406	551,619	317,712	6,289,733
— Northern Italy .....	26,461	92,121	338,452	3,096,643	189,314	44,292	3,787,283
— Central Italy .....	7,533	20,010	65,741	776,515	97,872	41,832	1,009,503
— Southern Italy and Islands .....	5,196	14,934	52,548	924,248	264,433	231,588	1,492,947
Commerce & Various Services .....	60,104	98,780	251,433	1,557,490	270,618	156,746	2,395,171
— Northern Italy .....	26,684	59,254	165,801	929,448	91,244	17,929	1,290,360
— Central Italy .....	13,360	20,704	45,127	294,361	60,751	21,049	455,352
— Southern Italy and Island .....	20,060	18,822	40,505	333,681	118,623	117,768	649,459
Other Sectors .....	239,859	523,730	443,922	1,234,894	122,917	65,894	2,631,216
— Northern Italy .....	96,672	246,143	217,914	619,592	38,546	7,216	1,266,083
— Central Italy .....	63,482	123,605	111,157	280,416	25,704	7,326	611,690
— Southern Italy and Islands .....	79,705	153,982	114,851	334,886	58,667	51,352	793,443
<b>Totals ...</b>	<b>347,865</b>	<b>769,521</b>	<b>1,221,799</b>	<b>12,592,043</b>	<b>2,424,961</b>	<b>2,221,091</b>	<b>19,577,280</b>
Northern Italy .....	152,769	406,666	757,712	7,157,554	662,995	266,251	9,403,947
— Central Italy .....	86,590	169,906	234,652	2,350,639	454,402	314,144	3,610,333
— Southern Italy and Islands .....	108,506	192,949	229,435	3,083,850	1,307,564	1,640,696	6,563,000

A further 40.9% carry out independent activities, trades or professions (of these, 32.5% are graduates, 14.2% hold diplomas; 22.3% lower secondary school certificates; 42.4% elementary school certificates; 47.7% are literate but without any certificate whatsoever; 46.2% are illiterate), 59.1% are employed by others (of these, 67.5% are graduates; 85.8% hold diplomas; 77.7% lower secondary school certificates; 57.6% elementary school certificates; 52.3% are literate but without any certificate whatsoever; 53.8% are illiterate).

The distribution of persons interviewed, by territory, is shown in the preceding Table III.



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## THE ECONOMIC SITUATION IN 1957

### A summary of progress in production

A glance at the preliminary figures now available on production in the various economic sectors brings to light a fairly clear picture of the Italian situation in 1957. The following sectors have been examined.

#### Agriculture

Total wheat harvest proved to be 84,487,000 quintals over an area of 4,910,000 hectares. The 1957 harvest, therefore, proved to be lower than that of the previous year. A contraction in wine, potatoes and horticultural products was counteracted by a sharp rise in olives. In general, it may be said that agricultural income will not be below that of 1956, although it will not exceed it by very much.

#### Industry

During 1957, industrial production made another important step forward, rating an increase of 9 %. The steel industry, a basic element of the whole of Italian economy, showed a production rise of 15 %, the average annual growth being something like 12 %.

This means that Italy now occupies a leading position when compared to the other member states of the European Coal and Steel Community. When the Community came into being, this country produced about 8.5 % of the total, but this figure has now jumped to 11.5 %.

Another sector of industry which merits particular study is building and construction, especially that concerned with housing. The last industrial census showed that about 10 million habitable rooms were needed if the goal of one room per inhabitant was to be reached in Italy. During the past few years, the construction of private homes has exceeded the population growth and, although the desired objective has not yet been won, a large part of the programme has been realized.

#### Foreign trade

The year under examination, 1957, proved to be generally favourable to Italian exports. A continued liberalization policy and further trade agreements proved very fruitful. On the other hand, the trade deficit grew larger. However, it is a well known fact that the Italian import level is considerably higher than the export level and thus even an increase in the latter during 1957 did not

help to reduce the deficit which has now reached 650 milliard lire against 633 milliard in 1956.

### Gold reserves

Gold and currency reserves are used to face any eventuality of possible deficits in the world balance of payments. These reserves are growing constantly and, in 1957, increased with a rhythm far superior to that registered in previous years. By the end of August last, they had reached 781 milliard lire. They are sufficient to cover the total trade deficit which was judged to be 650 milliard in 1956, the balance being about 17 %.

Throughout the whole of 1957, lira quotations were stable on the whole, there being a general tendency towards improvement. Much of the credit is due the solid gold and currency reserves, but Italy's favourable position in the European Payments Union, the possibility that the Budget will be balanced shortly, controlled currency circulation and rises in national income, have all helped considerably.

### Trade

But little information is available on trade and nothing is yet known about the total figures of progress in sales. Figures on sales in the larger shops have been released and these show that 1957 registered an increase of about 10 % over the previous year. This percentage figure, however, is not representative of most goods and mostly concerns foodstuffs. It generally refers to special types of shops using modern and rational sales methods, such as the supermarkets.

According to the information issued by the Institute of Statistics, the number of trading licenses issued increased only in the first half of 1957 (about 13,000 equal to 3.2 %), with a preponderance in the Southern provinces (7.5%). The North showed an increase of only 1.5 %.

### Dock traffic

During the first nine months of 1957, dock traffic registered an increase of 11.2 % over the corresponding period of the preceding year. This rise flanks that shown in foreign trade. Statistics on loading and unloading reveal the fact that the sharpest rises took place in the second and fourth quarters.

The figures which have been made available for various economic sectors, point to the fact that the 1957 increase in national income, in real terms, may be calculated at 5-6 % in respect of 1956. This growth was obtained in spite of unfavourable results in agriculture and again confirms the calculated average increase over the past seven years.



## INDUSTRIALIZATION OF THE SOUTHERN PROVINCES

A survey of new industrial plants and undertakings  
up to June 30, 1956

The mighty programme launched by the Government and put into effect through the Southern Italy Development Fund (*Cassa per il Mezzogiorno*) in favour of the under-developed provinces of the south, has received a constantly growing support from private enterprise. This has given rise to the problem of available funds, particularly for the concession of credit to firms undertaking contracts of both large and small entity.

Industrial credit in southern Italy and the Islands is mostly founded on the activities of three institutes specializing in medium term loans: ISVEIMER (*Istituto per lo Sviluppo Economico dell'Italia Meridionale*) for continental Southern Italy, IRFIS (*Istituto Regionale per il Finanziamento Industriale in Sicilia*) for Sicily, and CIS (*Centro Industriale Sardo*) for Sardinia. The former two started operating during the financial year 1954-55; the latter began functioning during the financial year 1955-56.

Each of these credit institutes has a *settlement fund* and a *special fund*, but it is the latter which really operates and which receives capital from the «Fund» and from the sale of bonds and other business effected with the Medium Credit Institute. Further, under the Law of February 12, 1955, No. 38, all three credit institutes control a *revolving fund* which is fed by the Ministry of the Treasury with income received from the sale of surplus agricultural products ceded to Italy by the United States. Finally, there is capital made available through foreign loans (the World Bank) which the Southern Italy Development Fund receives and puts at the disposition of these institutes. In conformity with the requirements of the law, the agency participates in the settlement fund of each institute to the extent of 40%. The remaining 60% is divided among the southern banks (*Banco di Napoli*, *Banco di Sicilia*, *Banco di Sardegna*), the various Savings and «Popular» banking houses and, for IRFIS and CIS respectively, the Regional Authorities of Sicily and Sardinia.

Although subscribing to the funds already mentioned, the Southern Italy Development Fund also holds itself responsible for the creation of others, up to a total limit of 24,240 million lire.

At June 30, 1956, the Southern Italy Development Fund, ISVEIMER, IRFIS and CIS, had considered and approved 834 applications for industrial credit for a total of 94.6 milliard lire, with 60.8 milliard lire issued under mortgages and 39.6 milliard in other loan forms. Table I, which follows, shows the percentage over the regions for

Table I - REGIONAL DISTRIBUTION OF INDUSTRIAL CREDIT REQUESTS  
EXAMINED, MORTGAGES STIPULATED AND PAYMENTS MADE  
(percentages calculated on total figures)

REGION	Requests Examined	Mortgages Stipulated	Payments Made
Tuscany (a) .....	0.42	0.66	0.93
Marches (b) .....	0.38	0.13	0.17
Latium (c) .....	5.59	3.17	4.46
Abruzzi and Molise .....	7.82	4.24	5.99
Campania .....	15.22	11.67	15.84
Apulia .....	3.43	2.72	3.08
Basilicata .....	2.66	3.46	5.28
Calabria .....	4.32	4.92	2.87
Sicily .....	31.00	27.41	18.58
Sardinia .....	9.34	10.76	15.14
<i>Total</i> .....	80.18	69.14	72.34
Electrical installations concerning more than one region (d) .....	19.82	30.86	27.66
<i>Total (including electrical installations)</i> .....	100.00	100.00	100.00

(a) Island of Elba. - (b) Part of Tronto Basin in province of Ascoli Piceno. - (c) Limited to provinces of Frosinone and Latina, former district of Cittaducale in the province of Rieti and part of land reclamation zone of Latina in Rome province. - (d) Refers to three allocations for construction of 8 power stations.

mortgages stipulated, sums paid out, applications examined, etc. The table shows that Sicily, Campania and Sardinia are the southern regions with the highest level. The provisions which have been made for the industrialization of this area have been promptly acted upon in these regions and it is thought that this may be due to the fact that they present a structure which is generally favourable to industrial undertakings. The 1951 census also showed that Sardinia, Sicily and Campania produced the highest industrial indices in the area, with 18.6%, 13.8% and 16.1% respectively.

These same regions also enjoy priority over others in the south, both as regards new equipment and modernization and extension of existing plants (Table II). However, it should be noted that, while Sicily and Campania, together with all the other southern regions of continental Italy, show evidence that the emphasis is being laid on entirely new undertakings, the policy for Sardinia seems to be that of re-equipping those which are already in existence.

Latina, in the region of Latium, deserves a special comment. Latium only partially benefits from the laws which have been passed in favour of the industrialization of the southern provinces (provinces of Frosinone and Latina, part of the province of Rieti and part of the province of Rome included in the land transformation zone of Latina). Industrial loans examined for this portion of Latium, at June 30, 1956, amounted to 76 for a total of 5,292 million lire. Of this figure, about 70% concerned territory in the province of Latina.

Distributing industrial undertakings as per the total credit advanced — and distinguishing between those which are new and those

Table II — REGIONAL DISTRIBUTION OF CREDIT ISSUED FOR NEW UNDERTAKINGS AND MODERNIZATION OF EXISTING PLANTS  
(millions of lire)

REGION	New Plants	Modernization	Total
Tuscany (a) .....	—	400	400
Marches (b) .....	251	106	357
Latium (c) .....	4,609	683	5,292
Abruzzi and Molise .....	5,629	1,768	7,397
Campania .....	12,156	2,239	14,395
Apulia .....	2,585	658	3,243
Basilicata .....	2,146	368	2,514
Calabria .....	3,361	727	4,088
Sicily .....	23,647	5,678	29,325
Sardinia .....	3,805	5,033	8,838
<i>Total</i> .....	58,189	17,660	75,849
Electrical installations concerning more than one region (d) .....	18,750	—	18,750
<i>Total (including electrical installations)</i> .....	76,939	17,660	94,599

(a), (b), (c) and (d) correspond to footnote in Table I.

which are to be modernized — it will be seen that the greatest number are to be found in that category which extends up to 50 million lire (Table III). As to the various regions, major loans in the 50 million lire category (new plants) are to be found in Latium, Abruzzi and Molise, Campania, Apulia, Calabria, Sicily and Sardinia. A different situation is found in Basilicata, where loans for new plants range from 51 to 100 million lire. Again, the greatest number of requests for loans for modernization of existing plants fall within the 50 million category in most regions.

### Industrial Finance and Industrial Classification

It is interesting to note the distribution of credit throughout the various industrial categories, for this enables one to classify, according to importance, those sectors in which private enterprise has progressed the most. Distributed per productive sector, the total credit issued (new and modernized plant) is divided into percentages, as follows:

PRODUCTIVE SECTOR	% on total credit issued	PRODUCTIVE SECTOR	% on total credit issued
Electrical energy, gas, water .....	20.08	Paper and paper products .....	5.39
Chemical Industry .....	17.82	Motors, motor vehicles and various machinery .....	4.34
Building materials, glass, ceramics and allied .....	16.94	Textile Industry .....	4.18
Foodstuffs and allied .....	12.29	Metallurgical Industry .....	3.26

The above embrace about 85% of the total credit approved. The same picture is obtained, with the percentages but slightly varied, if only credit for new plants is considered. Credit issued for modernization of plants, on the other hand, is distributed as under:



PRODUCTIVE SECTOR	% on total credit issued	PRODUCTIVE SECTOR	% on total credit issued
Foodstuffs .....	25.10	Drinks and allied .....	4.09
Building materials, glass, ceramics and allied .....	22.10	Mechanical Engineering and maintenance .....	4.03
Oil and coal by-products .....	8.72	Motors, motor vehicles and various machinery .....	3.58
Chemical Industry .....	6.72	Printing and allied .....	3.01
Mining and Quarrying .....	6.53		
Timber .....	6.18		

These sectors concentrate about 90% of the credit issued. The data and classifications referred to so far allow a more acute examination of the general development scheme on which the industrialization of the southern provinces is based. However, because of the importance of the subject, further information is given in the section devoted to investments.

### Investments resulting from Industrial Credit

Estimates of industrial investments resulting from credit issued to manufacturers by the Southern Italy Development Fund and by the three special credit institutes already mentioned, have been made according to the total loans approved at June 30, 1956. The construction and modernization of industrial plants under plans already approved at that date will result in a total investment of 223.5 milliard lire, of which 171.1 (76.6%) will be used for new plants and 52.4 (23.4%) for modernization (Table IV). 83% of the investments for new plants relates to actual buildings and equipment, while the remaining 17% concerns operating capital.

*Mining and Quarrying* – This sector has received 2,628 million lire, equal to 1.18% of the total investments and about half has been used in modernizing the equipment in the coal mines. The remainder has been divided between minerals and water (30%), metalliferous minerals (10%) and building materials (10%). Most of these industries, with the exception of mines supplying building materials, are localized in Sardinia and investments relate to plant modernization.

*Foodstuffs and Allied* – A large part of the investments (12.75%) has been directed towards this important sector. Although the food industry has always had strong representation in the southern provinces, the 130 demands for credit to be used in extending plants and a further 81 for completely new undertakings correspond to the requirements of general economy. The development in agriculture in the south, mostly concerned with increasing production of perishable goods, as against a traditional structure of cereal growing, has led to a demand for markets. These perishable products must also undergo industrial processing to prevent deterioration.

Table III - DISTRIBUTION OF PLANTS ACCORDING TO TOTAL CREDIT  
(millions of lire)

REGION	New Plants					Modernization				
	Up to 50	51 to 100	101 to 500	Over 500	Total	Up to 50	51 to 100	101 to 500	Over 500	Total
<i>Number of plants</i>										
Tuscany (a) .....	—	—	—	—	—	—	—	1	—	1
Marches (b) .....	2	—	1	—	3	5	—	—	—	5
Latium (c) .....	31	8	15	—	54	20	1	1	—	22
Abruzzo and Molise .....	13	5	5	2	25	13	1	2	3	19
Campania .....	39	13	31	2	85	45	10	4	—	59
Apulia .....	23	6	8	—	37	33	1	1	—	35
Basilicata .....	3	5	—	2	10	7	—	1	—	8
Calabria .....	18	4	4	1	27	13	2	1	—	16
Sicily .....	34	14	18	10	76	124	6	5	2	137
Sardinia .....	50	7	4	1	62	130	9	11	—	150
<i>Total</i> .....	213	62	86	18	379	390	30	27	5	452
Electrical installations concerning more than one region (d) .....	—	—	—	8	8	—	—	—	—	—
<i>Total</i> .....	213	62	86	26	387	390	30	27	5	452
% .....	55.0	16.0	22.2	6.8	100.0	86.3	6.6	6.0	1.1	100.0
<i>Total Credit</i>										
Tuscany (a) .....	—	—	—	—	—	—	—	400	—	400
Marches (b) .....	45	—	206	—	251	106	—	—	—	106
Latium (c) .....	923	651	3,035	—	4,609	478	85	120	—	683
Abruzzi and Molise .....	262	357	1,660	3,350	5,629	268	60	350	1,090	1,768
Campania .....	1,020	1,035	7,401	2,700	12,156	757	759	723	—	2,239
Apulia .....	612	437	1,536	—	2,585	481	54	123	—	658
Basilicata .....	32	450	—	1,664	2,146	168	—	200	—	368
Calabria .....	423	282	1,220	1,436	3,361	267	160	300	—	727
Sicily .....	608	1,071	4,268	17,700	23,647	1,692	471	1,115	2,400	5,678
Sardinia .....	879	531	895	1,500	3,805	2,248	671	2,114	—	5,033
<i>Total</i> .....	4,804	4,814	20,221	28,350	58,189	6,465	2,260	5,445	3,490	17,660
Electrical installations concerning more than one region (d) .....	—	—	—	18,750	18,750	—	—	—	—	—
<i>Total</i> .....	4,804	4,814	20,221	47,100	76,939	6,465	2,260	5,445	3,490	17,660
% .....	6.2	6.3	26.3	61.2	100.0	36.6	12.8	30.8	19.8	100.0

(a), (b), (c) and (d) correspond to footnote in Table I.

*Drinks and Allied* - Of the 56 plants included in this category, about two thirds relate to the wine industry. Soft drinks, ice, beer, liquors and other drinks are also included. Industrialization will assure the introduction of technical methods to the wine industry, methods which have hitherto been neglected, because this sector has mostly been confined to private individuals operating within the limits of their own small-holdings.

*Tobacco* - 742 million lire have been invested in this sector. This credit concerns 5 new factories and 9 already in operation but requiring modernization, and has been divided between Latium (428 million), Apulia (196 million) and Campania (118 million).

*Hides and Leather* - The industry has received 152 million, equal to 0.07% of total investments, which have been used for the modernization of one plant and the building of a new one which will be far larger and more complete than those already in operation.

*Textiles* - Textiles have received 10,539 million lire, that is, 4.71% of the total. Investments affect the wool, cotton, hemp, silk and other industries mostly to be found in Calabria, Sardinia, Basilicata.

*Clothing and Allied* - This industry presents many interesting factors in its development and seven new plants have been built, while another six have been equipped with new machinery. Total investments amount to 1,635 million lire. Based on a system which is no longer artisan in character and which is rapidly becoming highly industrialized, as the above investment figures demonstrate, this sector should have excellent prospects in the southern provinces.

*Timber* - Total investments for the timber industry amount to 3,870 million lire, divided between 19 new plants and 34 already operating. About one fifth of the total has been invested in those specializing in the manufacture of furniture. The balance concerns factories processing raw timber and cork, saw mills and general wood products. The future of this sector looks promising and is closely related to the development of the building trade.

*Paper and Paper Products* - Paper and paper products have absorbed about 5.40% of the total investments. Of the 12,076 million lire made available, the greater part has been used in the building of 17 new plants and only a small portion (573 million lire) has been used in modernization. The latter mostly concerns mills producing paper from straw, a raw material which is easily obtainable. There are also several factories specializing in the manufacture of cardboard boxes.

*Printing and Allied* - This sector has only absorbed about 0.88% of total investments, equal to 1,962 million lire, divided between two new plants (815 million) and 18 already operating (1,147 million).

*Metallurgical Industry* - Investments for the building of eleven new plants and the installation of new equipment in another amount to 7,583 million lire. Ten of these plants are to be found in Campania. The development of this industry is closely connected with the expansion of the mechanical industries. Several plants have been designed to specialize in the manufacture of seamless pipes, the production of which has increased greatly in the past few years, particularly in view of extensive schemes for new aqueducts and various other irrigation and land reclamation projects launched by the Southern Italy Development Fund.



*Mechanical Industries* – This industrial category has received 20,884 million lire (equal to 9,35% of total investments) divided as follows: 10,585 million for plants manufacturing motors, vehicles and various types of machinery; 5,459 million for construction engineering and second class foundries; 4,840 million for maintenance depots. Movement in this particular sector has a special importance, for large-scale industrialization will increase output. A strong mechanical industry within the general economic structure of the southern provinces will eventually lead to a considerable increase in income and place an additional value on the general investment picture.

*Construction Materials, Glass, Ceramics and Allied* – 17% of total investments are concentrated in this sector, for a total of 38,082 million lire. 88 new plants have been built and 70 have been modernized. They include several large cement factories, plants producing prefabricated goods and others specializing in tiles. The present stage of the building trade justifies the expansion noted in this sector and the present production level will be absorbed on the home market, even when the various special plans and schemes, now under way, have been completed.

*Chemical Industry* – The 24 new plants which have been built, and modifications to a further 21, have called for relatively high investments. These amount to 39,083 million lire, or 17.50% of the total. A large portion of these investments have been directed towards plants specializing in chemical manures, most of which are localized in Sicily, although the pharmaceutical industry, concentrated in Campania and Latium, is also of considerable importance. Efforts have also been made to assist expansion in production of compressed gases, essences (mostly citrus), soaps, etc. The chemical industry shows that it is adapting itself satisfactorily to the requirements of the southern provinces and, while finding a relative abundance of raw materials in the area, it does not call for labour with specialized technical skill. Finally, consumption of chemical products shows that there is plenty of room for expansion. This refers particularly to manures, the use of which will increase as agricultural transformation becomes more intensive and extensive.

*Oil and Coal By-products* – This sector also offers excellent possibilities and it absorbed 10,154 million lire in investments, a large part of which has been directed towards research. A new refinery, of leading importance, has been built.

*Rubber* – 258 million lire have been invested in 2 new plants and installing new equipment in two others.

*Various Manufacturing Industries* – Of the seven new plants and modifications to others operating in this sector, for a total of 1,970

million lire, six are concerned with the manufacture of plastic goods, an industry which is destined to assume more and more importance as the industrial plans for the southern provinces go forward.

*Construction and Installation of Mechanical Equipment* — Sixteen Sicilian manufacturers have been successful in obtaining credit which amounts to 747 million lire.

*Electrical Energy, Gas and Water* — The production of electrical energy, which attracted almost the whole of the investments approved for this sector, (35,075 million lire), is of fundamental importance as it is essential to industrial expansion. The Southern Italy Development Fund, therefore, has paid careful attention to this question. Three of the plans under consideration, which contemplate the building of eight power stations for a total investment of 34,575 million lire, will also serve all the regions of continental southern Italy.

*Transport* — This sector, in the same way as that dealing with the construction and installation of mechanical equipment, has attracted investments from others sources than those mentioned here. 498 million lire in investments refer to 2 new plants and modernization of another 15 and mostly concern undertakings localized in Sicily.

*Auxiliary undertakings* — This heading includes all those activities which have not been mentioned above. Total investments amount to 922 million lire invested in 4 new plants and the modernization of a further seven.

## Labour

New industrial investments have led to stable employment being offered 36,000 persons, divided between the regions as per Table V.

Of this figure, 25,000, equal to more than two thirds of the total, have been absorbed in new plants, while the remaining 11,000 have been employed following the modernization and extension of others. Units absorbed by new plants are divided among the various categories as follows: up to 10 employees — 2%; from 11 to 50 employees — 17%; from 51 to 100 employees — 22%; from 101 to 500 employees — 54%; from 501 to 1,000 employees — 5%.

Four fifths of all new labour units have been absorbed by the following industries: construction materials, glass, ceramics and allied — food-stuffs and allied — mechanical industries — chemical industry — textile industry — paper and paper products — timber.

For the purpose of offering a general picture of the new plants financed by the Southern Italy Development Fund and the special credit institutes, calculations have been made as to the average number of dependants per productive sector. The resulting figures show

that the highest number of new employees per plant has been absorbed by the printing industry with 285 units. This category is followed by the textile, chemical, clothing and metallurgical industries with 119-112-104 and 103 units respectively. Lowest figures relate to transport, and oil and coal by-products, with 9 and 19 units respectively.

Table IV - REGIONAL INVESTMENTS RELATIVE TO APPLICATIONS  
CONSIDERED  
(millions of lire)

REGIONS	New Plants	Modernization	New Plants and Modernization
Tuscany (a) .....	—	806	806
Marches (b) .....	482	359	841
Latium (c) .....	10,755	1,576	12,331
Abruzzi - Molise .....	11,474	5,937	17,411
Campania .....	30,957	6,179	37,136
Apulia .....	6,074	1,789	7,863
Basilicata .....	4,742	923	5,665
Calabria .....	8,173	1,772	9,945
Sicily .....	55,600	21,104	76,704
Sardinia .....	8,302	11,937	20,239
<i>Total</i> .....	136,559	52,382	188,941
Electrical installations concerning other regions (d) .....	34,575	—	34,575
<i>Total</i> .....	171,134	52,382	223,516
of which:			
non movable property .....	142,841	34,251	177,092
working capital .....	28,293	18,131	46,424

(a), (b), (c) and (d) correspond to footnote in Table I.

The Law of July 29, 1957, No. 634, authorized the prorogation of the Southern Italy Development Fund from 1962 until the end of the financial year 1964-65. As from 1958-59, the Fund's capital has been increased to 1,150 milliard lire (1958-59 : 100 milliard; 1959-60 : 150 milliard; 180 milliard for each succeeding year). Further, action has been taken to coordinate the activity of the « Fund » with the Public Authorities, the Committee of Ministers of the Southern Italy Development Fund being authorized to examine and decide upon all projects proposed by the Ministries of Agriculture and Forestry, Industry and Trade, Public Works, Transport and Labour. These are required to present the Committee of Ministers with their reports each year. The Ministry for State Participations is also requested to follow the same practice but, because of the industries which it controls, it has the double obligation of making at least 60% of its investments in new plants and employing the remaining 40% in such projects as are approved. Under Law No. 634, the Southern Italy Development Fund is also authorized to sink capital in medium and small industry operating



Table V — NEW LABOUR UNITS WITH STABLE EMPLOYMENT

REGIONS	Absolute Figures	%
Tuscany (a) .....	120	0.33
Marches (b) .....	459	1.27
Lazio (c) .....	3,618	10.01
Abruzzi and Molise .....	2,610	7.22
Campania .....	9,817	27.17
Apulia .....	2,682	7.43
Basilicata .....	1,465	4.05
Calabria .....	1,704	4.72
Sicily .....	7,499	20.76
Sardinia .....	5,986	16.57
<i>Total</i> .....	35,960	99.53
Electrical installations concerning other regions (d) .....	171	0.47
<i>Total (including electrical installations)</i> .....	36,131	100.00

(a), (b), (c) and (d) correspond to footnote in Table I.

in provincial towns of the southern regions with a population which does not exceed 75,000 inhabitants. But these investments may not exceed 20% of the total. They are generally issued for schemes which include new roads, power stations and extensions to the rail network, and may also be applied to projects which were started prior to the law coming into force but not before September 1956. A further 10% may also be approved for the purchase of machinery and equipment, but this may take the form of exemption from duty on such machinery as per current legislation.

The artisan trades receive help from the National Department for Artisan and Small Industries (ENAPI — *Ente Nazionale Artigianato e Piccole Industrie*) which is authorized to approve loans up to 30% for the purchase of new machinery required. Special attention has been paid to problems inherent to the selection of areas in which these new industrial undertakings are springing up, and plans have been discussed which foresee the issue of loans and investments to special agencies which are interested in coordinating the efforts of the communal and provincial authorities towards selection of areas for industrial concentration and providing the necessary installations. These loans, which are made by the «Fund», may cover as much as 50% of the expenses borne by the agencies, although loans for the purchase of machinery must still not exceed 10%.

### The activities of ISVEIMER during 1956

During 1956, ISVEIMER received 198 requests for loans, amounting to a total of 29,577,590,000 lire, against 255 requests for 26,352,544,207 lire in 1955. The drop in the number of requests is mainly due to

a slackening in calls for small loans under 50 million lire (from 123 in 1955 to 97 in 1956). This denotes a tendency towards the setting up of larger industrial undertakings with a more complex structure.

Of the total requests received during 1956, those made by persons resident in the southern regions, or by companies and others with southern capital, equalled 62% but represented only 31% of the total capital. The balance comes from other regions of Italy, the north in particular, and in a minor degree from abroad. This shows that, if the process of industrialization of these provinces is to be successfully completed and private enterprise encouraged, help must be given the numerous and modest local industries. These are very active and capable but lack capital and, therefore, must receive assistance in modifying their structure. Again, current schemes aim at creating new industries and exploiting the local resources and the possibilities offered, thus attracting the attention of both industrialists and capital in other regions.

As to industrial categories, an examination of the year 1956 shows that there was a very definite orientation towards the *mechanical*, *metallurgical*, *glass*, *ceramics* and *clothing* sectors. The requests for capital from industries concerned with the processing of agricultural and food products dropped both in number and amount. The very limited possibilities offered by oil and grapes led to a drop in undertakings concerned with these products, but there were signs of progress in confectionery and tobacco. Demands for capital for new plants, modernization of cement and allied factories, and, in general, for all industry specializing in *building materials*, still remain high. Requests in relation to factories manufacturing tiles, etc., have decreased and it is generally considered that there is a satisfactory balance between supply and demand of such materials in the south. The large and varied *chemical* sector does not show any drop in applications for loans, but the figure involved has altered considerably. Pharmaceuticals rank first on the list of products in this category for which capital is required. The *timber* and *paper* industries still maintain a reasonably high quota of requests for loans, but the total figure involved is much smaller; textiles show only a very modest movement.

Looking at the picture from the viewpoint of territorial distribution, the bulk of requests for loans comes from Campania, particularly around Naples, and extends to the provinces of Caserta and Salerno, lower Latium in the province of Latina and the Liri valley area. Signs of new industrial activity are apparent in the Abruzzi (in the provinces of Chieti and Teramo) and Apulia (in the provinces of Foggia and Taranto).

In its attempts to meet the demands of industry in the south, the credit institute has considerably improved its services, and applications are now dealt with in a much speedier fashion. In fact, during 1955, technical and financial examination was made of 166 applications for a total of 16,455,455,000 lire, but, in 1956, this had risen to 198 applications for a total of 28,162,326,000 lire. Applications under examination at December 31, 1955, totalled 198 for 28,809,430,000 lire, but at December 31, 1956, they had dropped to 86 totalling 16,472,228,000 lire. Action taken over the 198 applications made in 1956 resulted in the issue of 170 mortgage loans for a total of 21,769,100,000 lire.

The advance made in financial operations may be illustrated as follows:

Loans examined in 1954 : 98 totalling 6,810,000,000.

Loans examined in 1955 : 152 totalling 12,252,000,000.

Loans examined in 1956 : 170 totalling 21,769,100,000.

Of the loans issued in 1956, 62 directly concern modernization and extension of existing plants and involved the sum of 3,660 million lire (as against 57 for 2,664 million in 1955). 108 applications for capital for new plants, totalling 18,109,100,000, were made during the same period as against 95 for 9,588 million for the preceding year. Employment of manpower following the completion of plants financed in 1956 is estimated at 10,488 units as against 7,905 for the preceding year. The average sum involved in the employment of a new unit rose from 1,550,000 in 1955 to 2,075,000 lire in 1956, in relation to the nature of the industrial sectors showing major development, the size of the plants involved and the increased cost of the modifications made or the construction of new factories. Total estimated expenditure for modernization and new plants, during 1956, has been estimated at 39,834,329,000 lire, ISVEIMER's quota being in the region of 54.6%.

With the passing of time, the requests made for capital have gradually altered, until they now fully correspond to the local structure and so enable rapid selection and decisions to be made. Of the total applications examined by ISVEIMER, those subsequently cancelled or annulled by the applicant, or dismissed for technical reasons by the credit institute, dropped from almost 40% in 1954 and 1955 to 33% in 1956. At the same time, the total loans issued (about 65% in 1954) rose to 74% in 1955 and 77% in 1956. There has been a sharp rise in the number of mortgages stipulated as the following figures demonstrate:

Mortgages stipulated in 1954 : 49 for 4,749,500,000 lire.

Mortgages stipulated in 1955 : 105 for 5,695,500,000 lire.

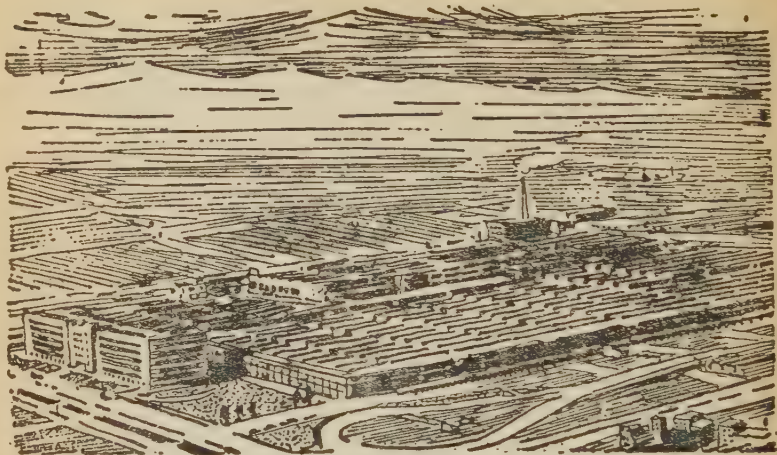
Mortgages stipulated in 1956 : 149 for 13,295,100,000 lire.



During 1956, capital outlaid under new and completed mortgages, following necessary administrative controls and legal and technical advice on the proposed schemes subjected by persons applying for industrial credit, totalled 8,374,070,000 lire, against 5,093,555,000 lire in 1955 and 4,356,046,535 lire in 1954. Of the total capital issues made, 3,027,635,000 lire came from the *special fund*, 2,581,620,000 lire from the *revolving fund* and 2,764,815,000 lire from bonds.

Loans made on 97 mortgages and amounting to 7,310,150,000 lire were completed during 1956, following testing of new equipment and commencement of operations on the part of the plants concerned.

Loans to small industry were continued throughout the whole of the past financial year and were mostly related to the purchase or renewal of machinery and equipment. They were kept within the limits of 7.5 million lire, representing 75% of the maximum total of 10 million to be invested in any one case. These loans are made on a fifteen-years repayment basis and are handled by the technical and administrative departments of ARAR and its affiliated company SPEI with which special agreements have been in force since 1954. Such operations, which have come into force throughout all the southern provinces, have proved to be particularly useful to small industry which has been able to modernize its machinery or purchase new, extend its existing factories, improve production, reduce costs through the installation of special machinery and avail itself of the technical and widespread experience of the above mentioned organization. In agreement with ARAR-SPEI, attempts have been made to streamline the procedure for small loans, but the question of having to adhere to the protective clauses drafted in favour of ISVEIMER, under the Law of April 11, 1953, No. 298, has complicated matters and has often delayed final and definite approval of applications for loans. This is also responsible for the drop in the number of applications and the total sums paid out during 1956. Throughout the year in question, 139 operations of this kind were approved, for a total of 637,175,000 lire, against 192 for 898,445,000 lire in 1955. Many of the difficulties have been surmounted by the recent Law of January 11, 1957, No. 5 which has established that the credit institutes contemplated under the Law of July 25, 1952, No. 949, may delegate finance operations in favour of medium and small industry, for the purchase of machinery and equipment to specialized enterprises. These operations may take the form of direct sale of such machinery on the part of the authorized enterprises, either on a deferred payment basis or installments, with certain guarantees. The application of this new law will hasten the completion of applications for loans, and will certainly favour those who are anxious to obtain capital.



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## NEW INDICES FOR INDUSTRIAL PRODUCTION

### The year 1953 used as new basis for statistical compilation

The Central Institute of Statistics has compiled new indices for Italian industrial production, now using 1953 = 100. The fundamental reason for the new calculations has been a need to modify the whole system of compilation and adapt it to the present structure of productive activity. There have been considerable changes since the pre-war period, and statisticians have long contested the adequacy of the scheme in use and urged the need to introduce new basic indices which more truly reflect the current Italian situation. Many other nations have already adopted the year 1953 as a basis for their calculations, following suggestions which have been advanced by the world's major statistical departments.

The modifications, which have been approved, affect both the elementary series of figures, which have been increased from 122 to 134, and also the field of operations which is covered, since it has long been felt that collection of data and information in certain sectors has been restricted and the figures quoted not entirely representative.

The choice of the year 1953 is the result of a general consensus of opinion that this was the first year which marked a return to normalcy. Post-war reconstruction had been terminated almost everywhere, and the war in Korea, which provoked widespread oscillations in prices between the autumn of 1950 and the first half of 1952, had more or less come to an end. Further, most of the nations of the world can provide reliable statistical information for the year in question, information which is based on the censuses of 1950-51. If proper consideration be given to the growth of international collaboration and the call for statistical reports by all the European organizations, the motives which guided executives of the Italian Central Institute of Statistics to modify the present system become obvious.

An examination of the development in Italian industry, made on the basis of the new data furnished, brings to light the fact that the characteristics of the former system have been included. They have, however, assumed a new meaning, since the indices quoted are the consequence of a very careful survey of the new prices now in force. In general, the picture looks a little healthier. For example, it has long been thought that the influence of methane on the index for the mining and quarrying industries has been excessive, due to the fact that the old price structure was constantly drawn upon in all calculations. Since these prices have, in fact, dropped sharply with large-scale exploitation at Caviaga and Cortemaggiore, the figures



quoted by the Central Institute of Statistics no longer illustrated the real picture.

For practical purposes, both at home and abroad, the new index is much more in keeping with current economic development than the system in use since 1938. For a total figure, it is sufficient to refer to 1953 which quotes an annual average rise of 9 percent. This brings the index to 136, or to a value which is equal to the index for the first 8 months of 1957. On the basis of the 1938 figures, the index would be about 100 points higher, but the result would be quite illusory since it is better to reach a quota of 136 in four years than 236 in about twenty years.

### INDICES FOR INDUSTRIAL PRODUCTION

CLASSIFICATION AND SUB-CLASSIFICATION	Av. Monthly Indices			1957 Average 8 months
	1954	1955	1956	
<i>Mining and Quarrying</i> .....	110	123	139	154
1. Coal and peat .....	90	85	81	80
2. Liquid and gaseous fuels .....	128	161	217	262
3. Metalliferous minerals .....	111	122	133	142
4. Other minerals .....	104	111	112	115
<i>Manufacturing Industries</i> .....	109	119	128	136
5. Food, Drink and Tobacco .....	107	113	120	120
5.1. Foodstuffs and allied .....	105	112	121	116
5.2. Drink and allied .....	116	127	125	170
5.3. Tobacco .....	108	111	116	118
6. Textiles .....	103	95	100	109
6.1. Silk .....	101	98	103	110
6.2. Cotton .....	107	92	98	108
6.3. Wool .....	103	94	99	109
6.4. Jute, hemp, flax, etc. ....	112	94	92	94
6.5. Textiles not otherwise classified .....	97	98	108	113
7. Hides, leather, footwear .....	105	102	108	119
7.1. Tanning .....	106	101	106	114
7.2. Footwear .....	105	102	109	122
8. Timber .....	101	107	105	107
8.1. Timber, cork, etc. ....	107	114	108	109
8.2. Furniture and allied .....	91	93	99	105
9. Metallurgical .....	119	148	162	179
10. Mechanical Industry .....	102	112	116	127
10.1. Non-electrical machinery .....	102	113	118	127
10.2. Electrical machinery .....	99	100	95	97
10.3. Carpenters' machinery, etc. ....	106	125	149	188
11. Transport .....	105	124	146	154
12. Non-metallic minerals .....	108	130	141	148
13. Chemical .....	122	135	148	153
14. Oil and coal products .....	123	132	147	150
15. Cellulose for textiles, artificial and synthetic yarns and fibres .....	128	138	158	166
16. Paper and paper products .....	104	114	125	136
17. Rubber .....	117	122	113	116
<i>Electricity and Gas</i> .....	107	113	118	121
18. Production and distribution of electrical energy .....	109	117	125	130
19. Production and distribution of gas .....	100	94	90	83
<b>General index</b> .....	<b>109</b>	<b>119</b>	<b>128</b>	<b>136</b>

## THE STRUCTURE OF THE PLANT INSTALLATION INDUSTRY

**3,119 firms at present employ 29,150 dependants  
distributed throughout 3,578 local establishments**

Information on this particular industry has been classified by the Institute of Statistics into four separate groups. The first includes those undertakings concerned with the installation of heating, ventilating and air-conditioning plants, water and sanitary equipment, distribution of gas and hot water, pneumatic dispatch lines and collection points, office and bank installations, waterspouts, etc.; the second refers to those industries responsible for production, transformation, transport and utilization of electrical energy; the third concerns the installation of telegraph, telephone and radiotelegraph equipment (telephone and telegraph lines), internal telephone installations, amplifier stations and telegraph equipments; the fourth is generally concerned with the maintenance and repair of the above different types of equipment and also heating apparatus.

According to the industrial census of 1951, 3,119 firms are engaged in this sector, of which 2,317 are small private concerns, 801 are limited companies and one is a State-controlled concern. They are classified as follows, on the basis of the number of dependants employed:

Up to 2 employees - 1,434 firms - 46%  
 from 3 to 5 employees - 797 firms - 25.6%  
 from 6 to 10 employees - 445 firms - 14.3%  
 from 11 to 50 employees - 378 firms - 12.1%  
 from 51 to 100 employees - 32 firms - 1%  
 from 101 to 500 employees - 31 firms - 1%  
 from 501 to 1,000 employees - 1 firm  
 over 1,000 employees - 1 firm.

**Table I - LOCAL FIRMS, EMPLOYEES AND MOTIVE POWER**

TRADE CATEGORY	North Italy			Central Italy			South Italy & Islands		
	Local Firms	Employees	Motive Power	Local Firms	Employees	Motive Power	Local Firms	Employees	Motive Power
Heating, ventilating, sanitary ....	1,379	9,755	2,927	188	1,983	280	92	552	257
Production, transformation electric energy .....	1,040	8,180	7,445	202	1,397	1,198	161	1,235	703
Telegraph, telephone, radio-telegraphic .....	104	2,114	73	57	1,492	19	22	462	10
Maintenance .....	231	1,374	1,733	62	332	161	40	274	47
<i>Total ...</i>	<i>2,754</i>	<i>21,423</i>	<i>12,178</i>	<i>509</i>	<i>5,204</i>	<i>1,658</i>	<i>315</i>	<i>2,523</i>	<i>1,017</i>

3,026 of these firms operate within the communes, 15 within the provinces, 19 are on a regional basis and 59 operate throughout Italy.

The industry is divided into 3,578 local establishments and offices (3,452 actively engaged in fitting and maintenance and 126 concerned with administrative work), employing a total of 29,150 persons divided throughout the four main groups as follows: 12,290 under heating, ventilation and sanitary, employed by 1,659 local firms; 10,812 under production and transformation of electrical energy, employed by 1,403 firms; 4,068 under telegraph, telephone and radio-telegraph installations, employed by 183 local firms; 1,980 under maintenance and testing, employed by 333 local firms.

Dealing with the qualifications of the manpower employed, examination shows that there are 4,808 contractors and owners (16.5%), 2,792 managers and clerical employees (9.6%), 18,406 bench-workers and labourers (63.1%, of which 0.5% hold special diplomas, 13.3% are skilled workers, 20.5% semi-skilled workers, 13.8% unskilled workers and skilled labourers, 15% unskilled labourers), 536 custodians (1.8%) and 2,608 apprentices (9.0%). 6.3% of the labour force employed is represented by women, and 5.6% by minors under eighteen years of age and from 18 to under 20.

Table II - NUMBER EMPLOYED ACCORDING TO INDUSTRIAL CATEGORY

CATEGORY	Heating, Ventilation Sanitary	Production, transformation electrical energy	Telegraph, Tele- phones, Radio-tele- graph	Mainten- ance, Testing	Total	%
Contractors and Owners .....	2,385	1,804	171	488	4,808	16.5
Managers and clerical employees .....	1,259	857	573	103	2,792	9.6
Technicians and Labourers .....	7,010	7,018	3,071	1,307	18,406	63.1
diplomaed .....	58	85	7	6	156	0.5
skilled .....	2,042	1,105	535	208	3,890	13.3
semi-skilled .....	2,166	2,520	887	418	5,991	20.5
unskilled and skilled labourers .....	1,281	1,643	791	296	4,011	13.8
unskilled labourers .....	1,463	1,665	851	379	4,358	15.0
Custodians .....	95	399	35	7	536	1.8
Apprentices .....	1,541	734	218	115	2,608	9.0
<i>Total</i> ...	12,290	10,812	4,068	1,980	29,150	100—
of which:						
female .....	624	974	185	41	1,824	6.3
under 18 .....	1,153	504	125	77	1,859	6.4
18 but under 20 .....	891	484	189	81	1,645	5.6

An examination of territorial distribution (Table I) shows that the industry is more densely represented in the North (2,754 local firms with 21,423 employees, against 509 local firms with 5,204 employees and 315 local firms with 2,523 employees in Central and South Italy



and the Islands) and above all in Lombardy (1,045 local firms with 8,698 employees). This region is followed by Piedmont with 619 local firms and 4,527 employees, Emilia and Romagna with 358 local firms with 2,936 employees, Venetia with 261 local firms with 1,749 employees, Tuscany with 229 local firms with 1,962 employees, Liguria with 218 local firms and 1,871 employees, Latium with 197 local firms and 2,741 employees, Campania with 114 local firms and 914 employees, Trentino-Alto Adige with 113 local firms and 669 employees, Apulia with 74 local firms and 357 employees, Trieste with 73 local firms and 708 employees, Sicily with 71 local firms and 626 employees, Friuli-Venetia-Julia with 59 local firms and 213 employees, Marches with 59 local firms and 312 employees, Umbria with 24 local firms and 189 employees, Abruzzi-Molise with 24 local firms and 225 employees, Sardinia with 15 local firms and 354 employees, Calabria with 14 local firms and 33 employees, Valle d'Aosta with 8 local firms and 52 employees and Basilicata with 3 local firms and 14 employees.

All the equipment used by the industry uses a motive power equal to 14,853 H.P., 84.4% of which is produced by electric motors and 15.6% by primary motors (hydraulic, steam, internal combustion).

Installations used by the industry include 2,873 electric motors with a total power output of 9,933 Kw, 40 electric generators with an output of 692 Kw and 200 primary motors totalling 2,319 H.P. (5 hydraulic, 6 steam, 160 internal combustion and 29 other types).

Data relative to expenditure (Table III), also revealed through the industrial census of 1951, show that 8,723 million lire were spent in 1950, of which 6,175 million referred to wages and salaries, 673 million to various forms of indemnity (holidays, bonuses, etc.) and 1,875

Table III - EXPENDITURE ON PERSONNEL DURING 1950  
(million lire)

TRADE CATEGORY	Employers' Expenditure					Deductions from Employees
	Gross Wages		Contributions and other		Total	
	Wages Salaries	Other	Total	Social Ins. etc.		
Heating, ventilation, sanitary....	2,376	226	734	723	3,336	80
Production, transformation of electrical energy .....	2,618	257	775	740	3,650	87
Telegraph, telephone, radio-telegraph .....	885	155	276	370	1,316	38
Maintenance .....	296	35	90	83	421	11
Total ...	6,175	673	1,875	1,816	8,723	216
% ...	70.8	7.7	21.5	20.8	100 —	—

million on social services and voluntary assistance promoted by the companies concerned (nursery schools, childrens' summer holiday camps, etc.) plus a further 216 million representing deductions from employees wages.

Of the total outgoings, wages and salaries represent 70.8%, indemnities 7.7% and contributions and other expenditure 21.5% (20.8% alone for social welfare and assistance).

Table IV - PERSONS EMPLOYED AND HOURS WORKED  
DURING 1950

EMPLOYEES AND HOURS WORKED	Heating, Ventilation, Sanitary	Production, Transform- ation of electrical energy	Telegraph, telephones, radio-tele- graph	Mainten- ance, Fitting	Total
Average persons employed .....	6,840	6,633	2,265	1,200	16,938
No. of hours worked (thousands)	13,854	13,503	4,553	2,265	34,176
Hours per month per person....	169	170	167	157	168

Information supplied by the census also shows that an average of 16,938 workers of all categories were employed during 1950 (6,840 under heating, ventilation and sanitary, 6,633 under production, transformation of electrical energy, 2,265 under telegraph, telephone and radiotelegraph equipment and 1,200 under maintenance and fitting) resulting in an average of 168 hours per month per person.

The situation of this industrial sector has not changed to any great extent during the intervening years. Because of the general progress of the building industry, 1956 proved to be a favourable year. Although no precise data is available on the installation of various types of equipment in the current building programme, it is estimated that the overall value must be in the region of 20-25% of the total building investments.

In general there are signs that the industry is gradually moving its attention to the central and southern provinces and showing a preference for new technical equipment of a costly kind.

## COMMERCIAL AIR TRAFFIC

### Government Legislation on Air Traffic. Progress in Domestic and International Services

Legislation backed by the Ministry of Defence in favour of civil aviation shows the Government's interest in the complex problems which are constantly arising in relation to this modern method of transport. Civil Aviation is called upon to perform the most varied duties in many sectors of public life. Apart from the Armed Forces, which have their own airports and a special network which conforms to the requirements of national defence, aircraft are relied upon to perform many of the tasks peculiar to other branches of the State administration. Helicopters, for example, are used by the Finance Guards, the Ministry of Agriculture and Forests, the Fire Brigade, the High Commissioner's Office of Public Health, the Italian Red Cross and the Ministry of Transport, to name but a few. They are valuable assets in the battle against parasites, and are extensively employed for crop dusting, surveying, transport of sick or injured persons, and a host of other duties.

Apart from the above auxiliary services, of extreme importance, because they lead to the immediate solution of innumerable problems, the aircraft now in use and those which are planned for the next few years are a means of joining together the distant cities of the world. They give the traveller a double advantage over the more traditional forms of transport: *comfort* and *security*. When speaking of comfort, due attention should be paid to the fact that this expression also includes the chance of carrying out lengthy journeys with a saving of both time and money. This is just as important as the question of trained crews, conscious of the passenger's wants, and adequate services. The security factor is proved by statistics which show that with the introduction of new types of aircraft and progress in safety devices and flight control services, accidents are becoming less and less frequent.

Passenger traffic through Italian airports increased three hundred times from 1926 to 1957. This increase, unfortunately, has not been accompanied by adequate modifications to the airports themselves or to the general administrative structure, mostly due to a lack of sufficient funds. The Ministry of Defence has not been able to do all it has wished for civil aviation, but much of the blame must be put on the complete lack of a specific department. However, the State has approved the following decisions during the last three years: an increase in appropriations for Civil Aviation from 2,013,905,000 lire to 4,196,028,000 lire as from the 1955-1956 financial year; the Law of April 16, 1954, No. 156, for the building of an airport at Genoa Sestri (500 million lire per annum until 1983-84 financial year); the Law of May 5, 1956, No. 524, for the construction of new civil airports at Venice and Palermo and modernization of airports already open to traffic (1,000 million lire per annum to the financial year 1965-66); presentation of a Bill which contemplates the



creation of a Civil Aviation Department; presentation of a Bill on the furnishing of credit for Civil Aviation. The Cabinet has already been presented with another Bill which calls for the opening of a High Commissioner's Office for Civil Aviation.

### Airport Network

Civil aviation cannot possibly hope to develop without an adequate network of airports and, since Italy is a natural base for world airlines, there is urgent need to increase the number of airports now in existence and modernize others. But to build or modernize an airport is a difficult task and means the solution of many complicated problems arising from diverse sectors (expropriation of land, which often brings contrasts with local organs, movement of soil, drainage, the construction of complicated and costly buildings, supplies of electricity and water, excellent telephone, telegraph and radio communications and complex customs and emergency services).

During the financial years 1953-57, more than 6.6 milliard lire were spent by the Government on equipping the airports of Torino-Caselle, Malpensa (Milan), Linate (Milan), Treviso, Venice-Lido, Borgo Panigale (Bologna), Peretola (Florence), Pescara, Pisa, Ciampino (Rome), Capodichino (Naples), Alghero-Fertilia, Elmas (Cagliari), Palese (Bari), Brindisi, Reggio Calabria, Fontanarossa (Catania), Boccadifalco (Palermo), Chinisia (Trapani), Pantelleria and other minor ones.

Work of exceptional importance, soon to be finished, is being carried on at the airports of Genoa, Venice and Palermo. Initial and relative expenditure for *Genoa* amounts to 450 million lire per annum from the Treasury and 50 million per annum from the Air Ministry which has already appropriated 150 million for the next three years. Plans for this airport include the sinking of reinforced concrete blocks along the coast, and some of these blocks have a volume of over 4,000 cubic metres. Plans for Venice and Palermo are already approved and 1 milliard lire, covered over the financial years 1956-57 and 1957-58, has already been appropriated from the ten milliard contemplated in the Law of May 5, 1956, for airport modernization.

The project for *Venice* airport (Barene di Tesserà) was approved by the Senior Council for Public Works on November 22, 1956, and calls for tenders were put out on October 31, 1956.

The Presidential Decree of October 19, 1956, has been in operation since January 4, 1957, and this authorizes increases in airport fees charged to passengers and freight. This means that the ten milliard lire contemplated under the Law of May 5, 1956, from which one milliard lire for Venice and Palermo has already been deducted, will, in part, be recouped through foreign lines using Italian airports.

Studies are now going on over the question of *lengthening runways* in order to bring them up to the requirements of new types of air-

craft. By 1959-60, such aircraft will need runways of not less than three kilometres. In this respect, Italy is to the forefront, for Rome has been prepared for this eventuality for some time. The new airport under construction at Fiumicino, already partially open to air traffic, exceeds this length. When work is completed on Turin airport, the runway will measure about 3,000 metres.

In conclusion, experts are at work on drafting plans for «heli-ports» which will permit streamlining of traffic and bring the airports in closer proximity to those centres which, although offering considerable tourist interest, are not considered ideal for airport construction (generally due to position or economic difficulties). As an example of this, Naples could be brought into close contact with Capri, Amalfi and other important tourist localities in Campania, the time required for any such journey being in the region of fifteen minutes.

Apart from the above plans which are the responsibility of the Ministry of Defence, a glance must be given the heavy financial burdens arising from modernization and extension of the airport network as a whole. The *Turin Council* has spent two milliard lire for the building of the «City of Turin» airport; the *Società Esercizi Aeroportuali* as contractor for Malpensa (Milan) has spent 3,660 million lire in the building of a new parallel runway, completion of dispersal points and extension of airport buildings. The *Milan Council* is to spend large sums on the new airport at Linate (Forlanini). The *Ministry of Public Works* has also contributed 3,800 million lire to work on the international airport at Fiumicino, construction of which was authorized by Law No. 460 of 1949. The Law of June 15, 1955, No. 513, has authorized further expenditure of 14 milliard lire and the State has been asked for another 10,500 million. The *Naples Council* has approved expenditure of 150 million lire for the building of a new road running to the airport of Capodichino. The *Catania Provincial Authorities* have contributed 400 million lire towards the construction of terminal buildings at Fontanarossa, the building of an Air Control Tower and minor premises and a double-lane highway leading to the airport. Finally, the *Treviso Council* has contributed 210 million lire towards the modernization of the local airport which will be re-opened to air traffic in Spring. The runway will be 2,150 metres long, a new, modern terminal building has been constructed and there are an adequate number of dispersal points for aircraft.

Considerable improvements have been made to *airport equipment* following the application of a special plan for which adequate funds were voted. During the financial year 1956-57, orders to the value of 750 million lire were placed with manufacturers and the same will be done during the current year. The less complex equipment has

already been installed, or is about to be, and the most important gaps have been filled. Further technical equipment, larger and more complex, will not be fitted until the first six months of this year.

### Air Traffic Control and Assistance

During the years immediately following the second World War, the Italian Aviation Authorities set about re-building and re-organizing the network, taking an example from the new methods which had been introduced and the ever growing capacity of new aircraft. Particular attention was given to control services and assistance available in Italian territory, since it was recognized that dense traffic called for maximum security measures. During this period, the money used was employed in consideration of the proposals and decisions resulting from meetings between member nations of the *International Organization for Civil Aviation*. It was also decided to reduce the employment of surplus war material and other equipment coming from foreign sources and concentrate on home production. Encouragement was given to the training of qualified personnel and new air traffic lanes were opened; others were modified according to their importance and density of traffic.

Such planning, which took place during the financial years 1954-57, concerned the following: installation of *Medium Frequency Beacons* (1), fifty of which are now in operation; *Radio Range Stations*, many of which have been modified (Naples, Pisa, Rome-Ciampino, Milan-Linate, Milan-Malpensa); *five High Frequency Direction Finders* (2) at Brindisi, Cagliari, Catania, Milan and Rome; *36 VHF Direction Finders* (3); *5 VHF Omirange Stations* (4) at La Cascinetta in Lombardy, Serralta San Vito in Calabria, Mensola di Cona in Venetia, Monte Guardianello in Apulia and Castel di Decima in Latium. Another six omirange stations are to be installed very shortly and the total number is to be brought up to twenty; *I.L.S. equipment* (5) now available at four airports (Milan-Malpensa, Rome-Ciampino, Turin-Caselle and Pisa). A further 6 I.L.S. will be installed soon; *Ground Control Approach (G.C.A.) systems*, particularly recommended by the International Civil Aviation Organization (6); *Instrument Approach Systems*.

At Milan-Malpensa airport, modifications have been carried out to the equipment already in use, while a light « G.C.A. », short range

(1) Operating on a frequency of 300/3000 kc/s. — (2) Operating on a frequency of 3,000/30,000 kc/s. — (3) Operating on a frequency of 30,000 kc/s-300 Mc/s. — (4) Transmits a variable phase signal in all directions. Each leg is about 3° in width. — (5) Used in bad weather conditions. Ground equipment generally consists of two or three approach beacons, angle of glide indicator and localizer. — (6) Radar system for bad weather landings. More accurate than Instrument Landing System. The pilot is controlled from the ground by a G.C.A. Controller who takes readings from radar.



radar for landing and orbiting, has been installed at Turin-Caselle. A new G.C.A. is to be brought into use at Rome's Ciampino and this will be subsequently transferred to Fiumicino when that airport comes into operation. A USA-MAAG radar eye for the terminal area is also being fitted at Ciampino. This airport also has a central radio station which is inserted in a nation-wide VHF and HF network with subsidiary stations in 39 localities. Radio telegraph services have a private circuit of some 4,000 kms, and the Met Service uses 53 primary stations, 99 secondary stations and 19 tertiary stations. There are also five radiosonda stations (three of which have come into operation during the last three years).

### Air Traffic

Commercial air traffic, comprising Italian and non-Italian lines, passing through airports situated in this country, showed a considerable increase during 1956. An index of such traffic through the principal airports is shown in Table I.

Table I - AIRCRAFT AND PASSENGER MOVEMENT THROUGH ITALIAN AIRPORTS IN 1955 AND 1956

AIRPORTS	Nationality	Aircraft arrivals and departures		Passengers (arriving, leaving, in transit)	
		1955	1956	1955	1956
Rome-Ciampino .....	Italian	12,945	14,255	222,971	271,222
	non Italian	31,060	34,715	695,829	798,428
	Total	44,005	48,970	921,800	1,069,650
Milan-Malpensa-Linate .....	Italian	6,838	7,051	112,025	128,903
	non Italian	4,628	6,277	111,392	147,271
	Total	11,466	13,328	223,417	276,174
Naples-Capodichino .....	Italian	3,149	3,323	31,846	33,915
	non Italian	1,368	1,263	28,079	22,346
	Total	4,517	4,586	59,925	56,261
Palermo-Bocca di Falco .....	Italian	3,924	4,339	53,625	61,842
	non Italian	30	25	307	195
	Total	3,954	4,364	53,932	62,037
Catania-Fontana Rossa .....	Italian	2,034	2,854	25,208	41,053
	non Italian	204	268	4,648	5,677
	Total	2,238	3,122	29,856	46,730
Other airports .....	Italian	9,770	12,856	103,639	146,411
	non Italian	920	3,064	18,305	52,832
	Total	10,690	15,920	121,944	199,243
Total...	Italian	38,660	44,678	552,314	683,346
	non Italian	38,210	45,612	858,560	1,026,719
	Total	76,870	90,290	1,410,874	1,710,095

Comparing the figures for the two years, it will be seen that 1956, in movement of passengers and aircraft, proved to be a far better year than 1955.

Total traffic of passengers on international and domestic air services was divided between Italian airports as follows: Rome - 62.55 %.

Tab. II - PERCENTAGE VARIATIONS IN AIR TRAFFIC  
BETWEEN 1955 AND 1956  
(Principal Italian airports)

AIRPORTS	Aircraft arrivals and departures	Passengers (arriving, leaving, in transit)
Rome-Ciampino .....	+ 11	+ 16
Milan-Malpensa .....	+ 16	+ 24
Naples-Capodichino .....	+ 1	— 6
Palermo-Bocca di Falco .....	+ 10	+ 15
Catania-Fontana Rossa .....	+ 39	+ 57
Other airports .....	+ 49	+ 63
Total...	+ 17	+ 21

Milan-Malpensa and Linate - 16.15%, Naples - 3.29 %, Palermo - 3.63 %, Catania - 2.73 %. Other airports accounted for 11.65 %.

Movement of freight and post also appears equally important. In 1956, 27,010 tons of freight were loaded, unloaded or held in transit (8,242 tons from Italian aircraft and 18,774 tons from aircraft on non-Italian lines). Figures for postal traffic show 9,464 tons loaded, unloaded or held in transit, of which 2,963 tons from Italian and 6,528 tons from non-Italian lines.

Table III shows commercial air traffic through the international and domestic line operated by the two Italian companies ALITALIA and LAI (1) in 1955 and 1956

Table III - PASSENGER, FREIGHT AND POSTAL TRAFFIC  
ON LINES OPERATED BY LAI AND ALITALIA (1)

TRAFFIC	1955	1956
Aircraft kilometres, No. ....	16,391,848	18,414,523
Passenger kilometres, No. ....	369,137,377	428,556,351
Freight-tons/kms. ....	5,114,828	6,145,064
Post-tons, kms. ....	2,668,340	2,937,852

The following routes are flown by « Alitalia-Linee Aeree Italiane » aircraft: *Rome-Milan-Paris-Shannon-New York* (DC-6B, thrice weekly); 2. *Rome-Milan-Madrid-Lisbon-Isola Sale-Rio de Janiero-San Paolo-Montevideo-Buenos Ayres* (DC-6B, twice weekly); 3. *Rome-Milan-Lisbon-Isola Sale-Caracas* (DC-6B, twice weekly); 4. *Rome-Athens-Khar*

(1) On November 1, 1957, administration of the network in Italy and abroad was taken over by a new company, ALITALIA-LINEE AEREE ITALIANE, which arose from a merger of the two previous companies. The majority of the shares are held by the State. Private shareholders include the British companies, B.E.A. and B.O.A.C., and FIAT.

The new company's fleet is composed of 34 aircraft: 11 four-engined DC-6 and DC-6/B; 6 four-engined turbo-prop « Vickers Viscount 770-D »; 4 twin-engined « Convair 340 »; 12 twin-engined DC-3 and 1 four-engined DC-7/C. Orders have been placed for the following aircraft, some of which have already been delivered: 4 « Superconstellation 1649 », 2 « Convair 440 Metropolitan », 3 four-engined DC-7/C, one AZ-8 (short-range four-engined aircraft carrying 20 passengers which may substitute DC-3 on certain routes). During the first six month of 1958, therefore, the company will have another ten aircraft at its disposal, bringing the total to 44. It will then hold eighth place in the list of 22 European airlines.

toum-Aden-Mogadishu-Nairobi-Salisbury-Johannesburg (DC-6B, thrice weekly); 5. *Rome-Paris-London* (DC-6B/DC-6, twice weekly); 6. *Rome-Athens-Beirut-Damascus-Baghdad* (DC-6B/DC-6, twice weekly); 7. *Rome-Istanbul-Teheran* (DC-6B/DC-6, twice weekly); 8. *Rome-Tel-Aviv* (DC-6B/DC-6, twice weekly); 9. *Rome-Milan-Vienna* (Viscount, thrice weekly); 10. *Rome-Milan-Munich-Frankfurt* (Viscount, 4 times weekly); 11. *Rome-Tripoli* (Metrop. thrice weekly); 12. *Catania-Tripoli* (Metrop. twice weekly); 13. *Catania-Malta* (Metrop. weekly); 14. *Catania-Rome-Milan-London* (Metrop. four times weekly); 15. *Catania-Rome-Milan-Paris* (Metrop., four times weekly); 16. *Rome-Naples-Palermo-Trapani-Tunis* (DC-3-thrice weekly); 17. *Rome-Turin* (Metrop., daily); 18. *Rome-Cagliari* (Viscount, daily); 19. *Rome-Tripoli* (Metrop. thrice weekly); 20. *Catania-Tripoli* (Metrop. twice weekly); 21. *Catania-Malta* (Metrop., weekly); 22. *Rome-Venice-Trieste* (DC-3, daily except Sunday); 23. *Rome-Milan* (DC-3, four times per day); 24. *Rome-Alghero-Cagliari* (DC-3, daily); 25. *Rome-Naples* (DC-3, daily); 26. *Rome-Bari-Brindisi* (DC-3, daily except Sunday); 27. *Rome-Palermo* (DC-3, daily); 28. *Palermo-Catania-Trapani-Comiso-Pantelleria* (DC-3, Saturdays).

### Legislation - International Agreements and Conventions

The immense preparatory activity and the rules and norms which have been drawn up in favour of Civil Aviation may be summarized as follows: *Provisions regarding the opening of airports to civil air traffic and the modifications to certain of them as per requirements for tourist and sports traffic.* This series of laws, with all their various juridical, administrative and legal aspects, has permitted civil airports to be grouped according to their particular functions and their importance in the national network. They cover: *Rules on Air Navigation*, with special reference to flying over towns and cities. *Aereo Club d'Italia*: after the suspension of the *Italian Aero Club* during the war, the rules pertaining to this organization were completely revised and a new system was introduced which foresaw election to the Committee, the creation of a federation, etc. The provisions relating to this *Club* are to be found in the Law of May 29, 1954, No. 340. A new Statute has also been drafted for the *Aero Club d'Italia*, copies of which are mostly accepted by local flying clubs. Modifications are still being carried to bring the Statute into line with international customs. *Aid to Tourist Aviation.* The decree of December 10, 1934, No. 2126, authorizing the Ministry of Defence to grant discounts to purchasers of light aircraft in Italy, did not really come into operation because the somewhat no-large sum of 2 million lire was involved. To this end, the Government approved a Bill which brought this decree into full operation, increasing the original sum appropriated to 50 million lire. Further, in order to remove all obstacles and delays



to similar forms of propaganda and to encourage civil aviation in general, the Law of June 20, 1956, No. 612, approves the granting of bonuses, compensation, subsidies, scholarships, etc., to those who promote interest in flying and all matters connected with it. *Limits to Sums established by the Navigation Code relative to Maritime and Air Transport*: the Ministry of Defence collaborating with the Committee authorized to modify the Code to bring the sums contemplated under Articles 941, 943, 944 and 952 up to present day values. These modifications are contained in the Law of April 16, 1954, No. 202. *Construction of the Airport of Genoa-Sestri*: the relative Law of April 16, 1954, No. 156, under Article 8, foresaw the stipulation of an agreement between the Ministry of Defence and the Independent Port Authorities of Genoa covering the technical and financial requirements for the building of this airport. The law, stipulated on November 11, 1954, was approved with an interministerial decree, dated November 19, 1954. *Construction of new airports at Venice and Palermo*: the relative rulings are contained in the Law of May 5, 1956, No. 524. The agreements called for by this law regarding the construction of two new airports by qualified public departments are now being drafted. *Norms on the use of airports open to Civil Air Traffic*: this includes those which are of new construction: covered by the Law of January 9, 1956, No. 24. A decree signed by the President of the Republic on October 19, 1956, fixed the limits of such norms and a further draft decree, which will come into operation very shortly, establishes the means of ascertaining such limits and the manner in which they are to be applied. *Attached Modifications to Rules on Air Navigation*. To bring them into line with the rules contained in the Attached Technical Instructions to the Chicago Convention, and using Article 288 *b* of the Naval and Aeronautical Register, a ministerial decree has modified the attached articles to the Decree of April 27, 1950, which, in its turn, has been modified by further legislation. These rules concern special aeronautical patents. Finally, agreements have been drafted with overseas countries to avoid double taxes on profits resulting from air navigation, and others are being studied which contain rules and regulations concerning sizes of airports, installation and concession of radio installations for use of aircraft, employment of personnel, etc.

Attention has been paid to the re-writing of the *Air Navigation Code* and the relative *Regulations*. Juridical legislation pertaining to Civil Aviation is contained in the «Regulations for Air Navigation» (Royal Decree of January 11, 1925, No. 356) and the Navigation Code which was issued with the Royal Decree of March 30, 1942, No. 327. Due to the need to bring the Italian legislation up to date and in keeping with the new developments of air traffic, and also to make

it similar to the rules laid down by the International Organization for Civil Aviation, a special Committee was created in 1949 by the Minister of Justice to re-write the Navigation Code. The Committee, which met for the first time on May 27, 1947, has not yet reached the question of air traffic, since it is still intent on modifying the maritime code. The Ministry of Defence, under a decree signed on June 13, 1955, appointed a Committee authorized to compile the new regulations for the Air Code. The task of this Committee, which has gone steadily forward, is now condensed in 120 articles which concern administration of Civil Aviation, public air associations, property and goods used by civil aviation, airports, installations and equipment and their relative uses, flying personnel, private property, etc.

Italian policy in relation to the drawing up of *conventions* for the opening and operation of air services is the result of two very definite periods. The first runs from the end of 1947 to the beginning of 1951, and the second from 1951 onwards. During the first period Italy, which was a late-comer to the international organizations created at the end of the war, was again behind other nations in joining that concerned with civil aviation. This country naturally suffered the consequences of a post-war situation in which other nations had been given complete liberty of action in Italian territory. In the course of time, attempts were made to make the situation a little more balanced through the drawing up of direct agreements with the interested countries. This first period saw conventions drawn up with Ireland (November 21, 1947); the United States (February 6, 1948); Argentina (February 28, 1948); Great Britain (June 25, 1948); Lebanon (January 24, 1949); France (February 3, 1949); Spain (May 31, 1949); Turkey (November 25, 1949); Holland (March 4, 1950); Portugal (April 5, 1950); Egypt (May 25, 1950); Yugoslavia (December 23, 1950); and Brazil (January 23, 1951).

With the above agreements, Italy was granted the theoretical right to use foreign territories in exchange for granting landing and operations rights on her own territory. The word «theoretical» is used at this point because at the time in question, Italy's air potential did not give her any hope of being able to take advantage of the clauses contained in the agreements. Obviously there was a certain disparity in those concessions given and received. However, it is only right to say that, independent of every political consideration which called for the signing of such agreements, the clauses contained in them have served as a basis for the launching of some of the principal air routes, among them those to Latin America.

By the beginning of 1951, Italian aviation policy in relation to such agreements had changed radically and from that year until 1955 no

new permanent ones were drawn up, it being preferred to operate with temporary conventions. This system also permitted a better control of facilities offered Italian aircraft using airports and air facilities in other countries. One of the chief reasons, however, for this behaviour, was an urgent need to give the air companies more time in which to organize themselves and work out future programmes before assuming long term international responsibilities. It also meant that no new permanent concessions would be made to other nations unless reciprocal conditions were offered Italy.

Defence of Italian Civil Aviation has been very much more marked during the past three years. Without pursuing a policy of strict protectionism (which would be contrary to the tourist interests of the country) Italy has adopted a system which is certainly not one of complete liberalization. Foreign competition has been curtailed by the insertion of restrictive clauses in temporary agreements made with other powers. Real protection of Italian civil aviation began in 1956, and during the course of the past two years very few conventions have been stipulated. Of importance are those with Austria (January 23, 1956), South Africa (May 21, 1956), Greece (May 26, 1956) and Switzerland (June 4, 1956).

As a general principle, it may be said that temporary conventions have now been replaced with others of a more *permanent character* when the conditions offered compared favourably to those made available by Italy. This is demonstrated by the fact that when unfavourable overtures were made to this country, the negotiations were stopped immediately, as in the case of talks with Canada. At other times, there have been delays because, although the basic clauses were agreed upon, differences occurred over the questions of routes, a crucial problem for every air agreement. During discussions with Germany and the Scandinavian countries, the Italian delegation favoured suspension of all discussions until some different decisions could be reached.

Defence of Italian interests has naturally been the fundamental motive in negotiations with other countries. Such a motive will continue to be foremost in the talks which will open with such countries as Sudan, Libya, Iran, Ceylon, etc. It must be understood that civil aviation problems cannot be considered as isolated from the general policy of Italy. Nor should it be forgotten that foreign countries are constantly requesting permanent commercial agreements for operations on Italian territory. Considering the situation as it was but a few years ago, and which resulted from the conditions of the armistice, it must be admitted that Italian delegations participating in negotiations which have been held in late years have obtained very satisfactory results.



## TEN YEARS OF TOURISM IN ITALY

### Tourism's contribution to the economic recovery of the Nation

The recovery of the tourist industry coincided with the creation of a «Commissioner's Office for Tourism» to act as a Government department in all matters connected with this particular sector. Under the Decree of September 12, 1947, No. 941, this department was authorized to propose opportune modifications to the tourist programme, to develop hotel accommodations, improve existing facilities, coordinate and guide policies followed by local tourist departments, control the activities of travel agencies and to take part in national and international conventions concerned with tourism and its related problems. The E.N.I.T. — *Ente Nazionale delle Industrie Turistiche* (National Department for Tourist Industries), the executive organ of the Commissioner's Office, was revived from the state of inefficiency produced by the war as also the E.P.T. — *Enti Provinciali per il Turismo* (Provincial Tourist Departments), the *Aziende Autonome di Cura Soggiorno e Turismo* (Independent Institutes for Health, Holidays and Tourism) and the *Pro-Loco* associations. By May 29, 1946, initial action had been taken towards reconstruction and modification of hotels and the Italian tourist organization rapidly began to gain prestige and efficiency. Every attempt was made to increase the tourist movement through the promotion of local attractions and propaganda abroad and at home was steadily increased.

According to statistical data published on tourism, Italy heads the European and non-European countries. Thanks to the work of the Statistical Department of E.N.I.T., in collaboration with the Central Institute of Statistics and the competent departments of the Commissioner's Office, it is now possible to have monthly figures on tourist movement and the maximum services offered by this country.

*Foreign Tourist Movement in Italy.* 1,590,033 foreign tourists entered Italy during 1948 and, according to calculations made by E.N.I.T., they contributed 40,199 million lire towards the national income. In 1949, tourists had grown to 3,401,662 for a total of 80,942 million lire. During Holy Year (1950), the figure rose to 4,839,279 for a total of 116,328 million lire, in 1951 to 5,405,863 tourists for a total of 135,232 million lire, in 1952 to 6,059,297 tourists for a total of 153,829 million lire and in 1953 to 7,681,870 for a total of 181,037 million lire. The figure rose again in 1954 to 9,327,512 for 290,098 million lire, in 1955 to 10,186,018 tourists for 230,052 million lire, in 1956 to 12,664,960 tourists and 259,517 million lire. From January to

October 1957, tourists entering Italy numbered more than 13 million (13,666,338) for an estimated income of 290 milliard lire (definite figures are not yet available). The figures quoted do not include sums paid by tourists for purchase of local produce which are included in the trade balance. But they do give a clear picture of tourist development in this country and, among all the European nations, Italy holds the *primate for foreign tourism*. However, progress is not entirely due to the natural beauties offered, but hinges greatly on the efficient apparatus which has been created. Other nations, whether experienced or newcomers to this field of activity, have shown their appreciation of the Italian system and have copied it to a very great extent.

*Central and Branch Organization.* E.N.I.T. began its post-war programme with a capital of 1,800,000 lire and has gradually put into effect the methods necessary to improvements in the overall structure. It was greatly assisted to this end by the law of August 4, 1955, No. 705, which increased public contributions to 1,055 million lire. Branch operation is entrusted to the Provincial Tourist Departments (E.P.T.) which were brought into being under the Royal Decree of June 20, 1936, No. 1425, which was later modified. The E.P.T. have their own juridical status and, within the provinces, are responsible for coordination of all activities concerned with increasing tourist traffic and improving facilities. They are also responsible for controlling the activities and publicity planned by the Independent Institutes for Health, Holidays and Tourism (C.S.T.) and all other offices which are directly concerned with tourism. Under the Presidential Decree of June 28, 1955, No. 630, concerning the decentralization of the services of the Commissioner's Office for Tourism, many of the duties attributed to the main Government department were transferred to the provincial departments, particularly such questions as control of tourist agencies and organization of social tourism. Branch organization also embraces the activities of the Independent Institutes for Health, Holidays and Tourism, which, under the Royal Decree of April 15, 1926 and subsequent modifications, are responsible for the administration of those places generally recognized as health resorts or liable to attract tourists, and the Pro-Loco associations, voluntary organizations operating in those areas which are not officially recognized as tourist centres. In 1949, the Independent Institutes for Health, Holidays and Tourism numbered but 77; to-day there are over 230, while the Pro-Loco associations number 1,220.

*Reconstruction and Development of the Hotel Industry.* The work which has been done towards the reconstruction and growth of the hotel industry is quite evident to all who are interested. According

to a census made in 1949, there were 20,074 hotels, boarding-houses and inns offering accommodation in Italy (5,037 hotels, 1,931 boarding-houses and 13,106 inns) totalling 215,702 rooms, 365,128 beds and 34,381 bathrooms. By June 30, 1957, the number of hotels, boarding-houses and inns had risen to 28,161 (360,626 rooms, 620,226 beds and 85,156 bathrooms). The progress which has been made and which has created a structure worth over 560 milliard lire, is mostly due to the efforts of the industry, but State support has not been lacking. This was applied through the Royal Legislative Decree of May 29, 1946, No. 452, the Law of July 29, 1949, No. 481, which introduced forms of aid to the hotel industry through the issue of 25 year loans and occasional capital contributions under E.R.P., the Law of December 27, 1956, No. 1414, which extended the life of existing mortgages until December 31, 1964, so that the industry could continue its development programme and the Law of August 8, 1955, No. 691, which instituted a revolving fund for the issue of loans to the hotel industry. Under the Royal Legislative Decree of May 29, 1946, No. 452, the State has made casual loans and issued mortgages amounting to 6,321 million lire, which has permitted the addition of 5,827 rooms, 9,194 beds and 3,129 bathrooms to the existing structure. The Law of July 29, 1949, No. 481, authorized mortgages and special appropriations amounting to 5,346,409,500 lire, which were invested in an additional 5,282 rooms with 8,723 beds and 4,275 bathrooms. Under the Law of August 4, 1955, No. 691, which created a *revolving fund*, the Commissioner's office has already received 4,000 requests for loans amounting to over 70 milliard which relate to projects with an estimated total value of 180 milliard lire. This law also provides for an additional contribution of one milliard lire per annum over a period of five years, as from 1955-56, this sum to be paid into the revolving fund. The successive Law of July 15, 1957, No. 605, provides that the revolving fund shall also receive an additional five milliard lire from United States agricultural surplus. Up to December 31, 1957, 444 requests for mortgages had been considered, of which 247 concerned schemes which had already been finalized; provisional decisions were taken for a total of 3,341 million lire and definite decisions for 6,575,200,000 lire. This will lead to the addition of 9,036 rooms, 15,164 beds and 7,064 bathrooms, plus various modifications to existing hotels and boarding-houses.

The State programme has been flanked by the efforts of many of the provincial offices which, in order to stimulate and assist private enterprise and in agreement with the Chambers of Commerce for Industry and Agriculture and various local banks, have introduced an excellent system of medium term loans for hotel owners, especially



those of minor importance. Further action has also been taken by the regional governments of Sicily, Sardinia, the Val d'Aosta and Trentino-Alto-Adige.

Some of the undertakings launched by the hotel industry are well worth quoting, for they have brought innumerable benefits to the southern regions and the islands. Included in this category are the *Jolly Hotels*, built with the assistance of the Southern Italy Development Fund, and in accordance with functional planning which contemplates all modern comforts. There are also several *motels*, built on the American pattern, but with different building styles and with complete bar, restaurant and hotel services. These motels, to be found in the central and southern regions for the most part, charge prices which bring them within the reach of everyone. Other schemes have been adopted by the Regional Assessor's Office for Tourism in Sicily, particularly the building of *Tourist Villages*, and the Assessor's Office in Sardinia which has set up the Sardinian Regional Tourist Department (E.S.I.T.). This department has already built several hotels which, although modest in appearance, have all the necessary comforts and stand in some of the most picturesque places in the island, formerly without any accommodation of any kind.

*Travel Agencies.* According to estimates made on October 15, 1948, 230 *travel agencies* were in operation in Italy, of which only 195 undertook full tourist activities, including journeys to and from foreign countries. 19 limited their activities to Italy, 12 generally restricted their operations to local areas and the remaining 4 were mainly concerned with air and sea reservations. By December 31, 1957, the number had risen to 630 divided into the following categories: A) unlimited, authorized to perform all tourist activities — 400; limited to home territory — 55; B) limited to local activities — 97; C) restricted to air and sea reservations — 70.

*Social Tourism.* The Decree issued by the President of the Republic, relative to decentralization of certain activities formerly undertaken by the Government's main office and now transferred to the provincial departments, grants the latter important functions in questions relating to *social tourism*. These departments are now responsible for approving programmes, announcements, travel posters, cruises and other types of travel within home territory for non-profit making associations. They also arrange excursions and occasional journeys for patriotic, cultural, religious or sports reasons. These provincial departments are held responsible for the building and opening of new shelters in the mountains and the employment of managers and custodians for these shelters. The efforts which the Government's main tourist

office has made to coordinate the numerous schemes and programmes launched by local offices and associations towards improvements in social tourism is considerable and the results of the past ten years testify to this. The Commissioner for Tourism has made adequate financial and legislative provisions towards encouraging this form of travel and postwar innovations include: *youth hostels*, camping sites, tourist villages, motels, holiday camps, ecc. Mention should also be made of the schemes introduced by the Italian Association of Youth Hostels, the Italian Camping Federation, the Italian National Insurance Association, the Italian Touring Club, the C.A.I., (*Italian Alpine Club*) the Italian Excursionist Federation, the Young Peoples' Tourist Centre, the Italian Federation for Recreative Activities, the Italian Association for Students' Travel, the Centre for University Relations with Overseas Countries, the Association for Cultural Relations with Overseas Countries, the University Committee for Foreign Relations, the National Fund for Social Tourism, ecc.

To date, there are 73 *Youth Hostels*, administered by A.I.G. and built with the assistance of the provincial tourist departments. These hostels provide 5,095 beds. This is a considerable improvement over 1950, when only 24 hostels were in operation with 778 beds. A.I.G. membership has now reached 13,604 and overnight bookings during 1957 were over 300,000. 400 camping sites have been opened in every part of Italy; 316 of these have permanent custodians and are equipped with all necessary services. Bookings during 1957 exceeded two million. During the 1957 summer season, the Italian National Assistance Association opened 21 camping sites and 17 tented areas, which provided accommodation for 70,809 persons, totalling 277,282 days of residence. It also organized 102 mobile camps which were used by 911 persons for a total of 8,205 days. The Italian Touring Club controls 7 huge international camping sites, which housed 316,275 persons in 1957 as against 272,000 registered in 1956. To all these must be added 22 camping sites organized by the Italian Christian Workers' Association, with 1,540 members and 92,400 daily bookings, the 70 camping sites belonging to the Italian Excursionist Federation with 30,000 members, the 18 sites for students organized by the National Commissioner's Office for Italian Youth with 4,045 members, and those run by the Italian Catholic Scout Association, the National Scout Movement and various other bodies.

Of great importance, in view of the desire to attract less wealthy tourists, are the *tourist villages*, which act as centres for organized tourist parties prepared to spend their holidays under canvas or in small cottages or bungalows. The most important of these are to be found at Baratti, on the island of Elba, at Caprera, Baia and Pali-

nuro, all of them administered by the French « Club Méditerranée ». During the 1957 season, these tourist villages run by the « Club Méditerranée » were used by 13,349 tourists, for the most part French, for a total of 262,118 days. The income from this particular tourist movement is estimated to be 1,017 million lire. Other tourist villages are being built and others will follow shortly as the provincial departments are very interested in promoting the scheme. Those existing are to be found at Castiglione della Pescaia (Grosseto), for Swedish tourists and along the Ligurian and Adriatic coasts. Mention must also be made of the completely new tourist village which has been constructed at Acerno by the Young Peoples' Tourist Centre and others planned by the Sicilian Regional Government for the island. E.N.A.L. has also made plans for others to be built in various regions on the mainland.

*Holiday camps*, introduced for the purpose of helping the poorer classes, are under the control of the Italian Workers' Christian Action and the Young Peoples' Tourist Centre. By the end of 1957, the Italian Workers' Christian Action controlled 168 of these camps which offered 5,600 beds. The Young Peoples' Tourist Centre administered another 100 with a total of 4,000 beds. Visitors spent 400,000 days in the camps (35,000 units) controlled by the Christian Action, while the Young Peoples' Tourist Centre calculated 30,000 units for 386,500 reservations.

Social tourism has attached great importance to mountain shelters which are generally to be found high up in the mountains and which offer generous hospitality to climbers, excursionists and all those who give their preference to such areas. About 700 are functioning at the moment and they offer a total of 15,000 beds; 416 of them are the property of the Italian Alpine Club (C.A.I.).

Some reference has already been made to the *motels* which have been built along the highways and which offer rest, technical assistance and food to car users. The chief ones have been built by the Italian Automobile Club with the assistance of the Southern Italy Development Fund and the provincial tourist departments in the central and southern regions. About 17 are operating at the present time, but another 5, already completed, will be opened to the public very shortly. These motels were used for a total of 35,000 days during 1957.

*Scholastic and University Tourism.* One of the most important tasks of the Italian Touring Club is the promotion of scholastic tourism. This is a practice which flanks schemes organized by schools and it aims at helping students to appreciate the natural and artistic beauties of Italy and so contribute towards their spiritual and intellectual



formation. Organized within a network of Provincial Delegations and Scholastic Departments, this form of tourism has assumed vast proportions in the course of a few years. 74 students were registered at the end of 1947, but this figure had reached 110,000 by 1957. Long distance excursions and other forms of tourism attracted over 150,000 students during the latter year.

*The Italian Centre for Instructional Travel for Students (C.I.V.I.S.),* which started operations in 1952, organized 30 travel awards for secondary school students during 1957 and 1,043 students took part accompanied by 59 teachers. This Centre also promoted 32 inter-regional excursions and 47 to other nations, 1,200 students taking part in the former and 1,740 in the latter. 11 travel awards were also made to 196 university students and 14 professors. Further, in 1957, C.I.V.I.S. received and assisted 172 groups of foreign students, composed of 6,200 persons who totalled 80,600 days in Italy.

Meetings, conventions and various forms of tourist attractions, promoted by organizations and associations under the patronage of the Commissioner's Office for Tourism and the Provincial offices, have made a great contribution towards the growth of social tourism. In 1957, over 80,000 persons participated in 1,700 excursions abroad; at home, 860 group excursions were organized, while a further 800 week-end excursions were arranged to cities across the Italian borders. Special excursions were introduced by the State Railways as far back as 1950, and those taking part are able to take advantage of a fifty percent reduction in normal fares. Tickets include normal rail transport and fares for pullmans, boats and other auxiliary services included on the itinerary. Meals, possible night stops, free entry to museums, excavations, ecc. are also included. In 1957, 70 of these excursions were organized and 29,963 persons took part.

*Training of Personnel for the Hotel and Tourist Trades.* According to the census made in 1951, 998,881 persons are engaged in tourist industries in Italy, classified as follows; employed in the hotel industry and public services - 317,610; transport - 453,114; tourist auxiliary services - 55,952; recreative and allied - 42,341; hygiene and cleaning - 129,864. At January 1, 1955, 132,284 were employed in hotels, boarding houses and taverns alone.

During the past ten years, the Commissioner's Office for Tourism has greatly improved training schools and institutes which are responsible for preparing new personnel for the various branches of tourism. Such personnel must receive a full technical training which will enable them to deal with the requirements of an international clientele. The Ministry of Public Instruction (Department of Technical Training)

controls the *Istituti Professionali Alberghieri di Stato* (State Schools for Hotel Personnel) at *Abano Terme, Florence* (with a branch at *Montecatini*), *Naples* (with branches at *Palermo, Amalfi* and *Ischia*) and *Stresa*. There is also a *Professional Institute for Tourism*, with headquarters in *Rome* and branches at *Palermo* and *Amalfi*. The Ministry of Labour, through the National Institute for Assistance to Commercial Employees, has opened *Centres for Professional Training* at *Bellagio, Rimini* and *Syracuse*. There are other special courses in various tourist centres throughout the country, during which the students are able to live-in during the terms. From 1950, under the patronage of the Commissioner's Office for Tourism and the Ministry of Labour, a special *Italian Centre for Tourist Culture* has been in operation, its chief task being the training of guides and those persons who are to be concerned with special categories of tourism.

*International Tourist Relations.* The Commissioner's Office for Tourism has been particularly active and has made a valuable contribution towards the success of the *International Union of Official Tourist Organizations*. It has also taken part in the general activities of other international commissions and committees, contributing towards the success of new tourist conventions and agreements. These committees include the European Commission for Tourism of the O.E.E.C. Committee on Tourism and its work groups, the United Nations Economic Committee for Europe, and the Special Committee for the Simplification of Frontier Formalities, instituted by the Council of Europe. Notable progress has been made in many sectors, and Italy has obtained great benefits from agreements on visas, passports and frontier formalities, currency regulations, customs facilities for foreign tourists, special facilities for motorists and off-season tourism.

Italy has concluded bilateral agreements relative to the abolition of *visas* with a host of countries including those which are members of O.E.E.C. A unilateral agreement covers tourists from the United States, signed in November 1948. A similar agreement was concluded with Canada on June 1, 1950, and with Australia on August 1, 1951. The Commissioner's Office for Tourism recently proposed that the Ministry for Foreign Affairs approve the abolition of visas for visitors from those Latin American nations most likely to provide a strong tourist current to this country. A collective propaganda campaign organized by six European nations, Italy among them, is to be launched shortly in those countries. Much the same has been done in the case of South Africa and some of the Arab states. Experiments dealing with the substitution of a passport with an identity card, practised up to the end of last year with great success, have now been suspended following a multilateral agreement, signed on December

13, 1957, between Austria, Belgium, France, Italy, Luxembourg, Greece and the West German Republic.

Satisfying results have been reached on the question of *currency*, mostly due to the efforts made by the O.E.E.C. Committee on Tourism and following valuable contributions by Italy and Switzerland. Several states in Western Europe have completely liberalized their currency policy, while others, with the exception of France, have radically modified their attitude.

In view of the extraordinary development in road traffic, Italy introduced a system of *petrol vouchers* on January 1, 1951, by which foreign visitors and Italians resident abroad returning to this country for a vacation, may purchase petrol at special reduced prices. Vouchers had a great success in persuading tourists to visit Italy in their own cars. These vouchers are sold abroad through the leading banks, while in Italy they may be obtained from the Italian Automobile Club. In 1951, 17,912,880 litres were sold against vouchers, for a total of 1,731,207,495 lire. From 1951 to 1956, vouchers were sold for a total of 324,477,280 litres, estimated at 30,261,143,160 lire. During the period January–September 30, 1957, 122 million litres were sold, purchases being made in foreign currency.

*Simplification of customs formalities* has been successfully applied and visitors carrying products classified as «souvenirs», including both luxury and artisan goods, are permitted to take them out of the country free of charge up to a maximum of 500 dollars for American travellers and 100 dollars for Europeans. Italy was the first country to apply such facilitations in favour of tourists, introducing the relative legislation on August 30, 1949. In 1954, this country took part in a conference, promoted by the United Nations Economic and Social Council in New York, for the drafting of a convention covering temporary transportation of private motor vehicles, an agreement on customs facilities for tourists and an Additional Protocol concerning exchange of tourist propaganda and publicity material. These agreements were ratified by the President of the Republic on October 27, 1957.

Several plans have been approved to assure a more rational operation of *frontier passes*, particularly those of Chiasso and Brenner. Another scheme, of considerable importance to the tourist trade, is the building of a road which will flank the Ponte San Luigi–Menton pass; work on this is to be begun shortly and it is hoped that the scheme will be completed in time for the Olympic Games in 1960.

In order to avoid the difficulties arising from long columns of motor vehicles on the more important roads crossing the frontiers, agreements have been drawn up relative to customs control and documents have been introduced which will cut the labour to a minimum. Such docu-



ments are also much cheaper than those previously required. Most tourist organizations favour the idea of eventually eliminating such documents altogether.

Interested in encouraging off-season tourism, Italy took part in the collective propaganda campaign launched by the European countries in the United States in 1949. For the same purpose, and in order to favour tourists of all nationalities arriving from the United States, the Commissioner's Office for Tourism and the Italo-American Chamber of Commerce promoted a special programme, in 1953, which offered special reductions in road and rail fares and on charges practised by many hotels and restaurants. These reductions, which are still in operation, come under the Italian Tourist Economy Plan.

*E.N.I.T. and Tourist Propaganda.* The Italian National Tourist Agency re-opened in 1947 with the publication of a monthly magazine «Tourist Information» in four languages. In 1948, the same agency issued the first «Year Book of Italian Hotels». The E.N.I.T. sent its first delegations abroad in 1949 and, in 1950, added to its publications with such volumes as «Bulletin of Tourist Statistics», «The Meteorological Bulletin», the agency's official magazine «Italy's Life» the first «E.N.I.T. Agenda» and various other publicity leaflets and booklets. «Holidays in Italy», published in four languages, has enjoyed great success, circulation amounting to about 300,000 copies. Publications in 1950 numbered approximately 773,000 copies. During this same year, E.N.I.T. opened several new offices abroad and produced several information films entitled «It Happens in Italy». The agency also had its own pavilions and stands at ten expositions and fairs and began special broadcasts for tourists in various countries of the world. During the year in question, 383 special programmes of this kind were included in normal radio broadcasts. 1950 also witnessed the beginning of a press and publicity campaign which was launched in 29 countries, 2,455 advertisements being made in 126 daily papers and 53 periodicals; arrangements were also made for a well-equipped information service, photographs and press releases. The new New York offices of E.N.I.T. were opened in 1951, closely followed by others which were inaugurated in London in the same year. Another ten offices were opened in other countries and E.N.I.T.'s general scheme for the year concluded with a new edition of «Italy's Life» in German (*Leben in Italien*).

During 1952, 104 documentaries were distributed in those states which represent a heavy source of tourist trade to Italy. Participation in expositions, fairs, congresses and meetings became more intense. E.N.I.T., in fact, sent its representatives to 41 of the meetings and conventions held during the year. A new series

documentaries, dealing with tourist subjects, in black and white and colour, were produced and distributed with English, French and German sound tracks. The agency undertook the publication of a special edition of « Italia » and compiled a « Calendar of Events » in three languages. E.N.I.T. also brought out other new leaflets to flank those published by the Provincial Tourist Departments. About 3 million examples of folders, magazines and railway time-tables, totalling 30 million pages, about 25 percent of which were translated into the principal foreign languages, were also added to the imposing list of propaganda material available. The Provincial Departments and the Independent Institutes also made themselves responsible for the production and distribution of documentaries, in black and white and colour, and all local offices were furnished with illustrated post cards, also in black and white and colour.

Special plans were drawn up in 1951 to attract visitors from the United States. The publicity scheme included special articles, photographs, press releases, documentaries for theatres and television. From 1951 to 1957, the American press published about 900 black and white and colour photographs in 8,000 newspapers, magazines and periodicals. Motion picture production companies included material on Italy in newsreels which were shown in about 18,000 American theatres, 1,800 Canadian theatres and 8,000 theatres in Central and South America. Other documentaries were also produced for American television and distributed throughout the network. In 1948, E.N.I.T. started a regular information service for the press all over the world, and provided material for writers and journalists desirous of dealing with various aspects of life in Italy.

More important still were E.N.I.T.'s activities during 1953-54. The official magazine of the agency, « Vita Italiana » was published in four languages (Italian, French, English and German) and, in collaboration with the Italian Automobile Club, 500,000 copies of « Visitate l'Italia in auto » (*Visit Italy by Car*), in five languages, were printed and distributed. In 1953, over 20,000 black and white and colour photographs were despatched by the agency and propaganda and publicity in the press was increased to 137 daily papers. The following year, other leaflets were printed and a new series of tourist documentaries produced, among them a special colour series known as « Arcobaleno Italico ». The motion picture programme also included a further twelve documentaries produced by LUCE (the Government department specializing in this field) and several other subjects in Cinemascope, black and white and colour. E.N.I.T. also opened new offices at Chicago, San Francisco and Geneva, and new premises were found for those in Barcelona and Frankfurt on Maine.

During 1955, the tourist information magazine «L'Italia» was modified and enlarged with the assistance of the State Railways and a new publication «Guidine regionali» was launched and made available in five languages (Italian, Spanish, French, English, and German). This new series was compiled according to orders received from the Commissioner's Office for Tourism and with the help of the Provincial Departments. Circulation amounted to 2,500,000 copies. A further million copies were re-printed of a folder dealing with general tourist matters which had been published in six languages (Italian, French, English, German, Spanish and Portuguese) and information on the regions of Italy. With the assistance of the State Railways, work was started on a series of «Itinerari ferroviari» and a further 500,000 copies of the leaflet «Viaggio in Italia» were also printed. E.N.I.T. representation abroad was modified and improved with the opening of a new office in Amsterdam, and the setting up of offices for Central and South Africa at Salisbury, Johannesburg and Durban. A branch was also opened in Alexandria and offices in Munich were enlarged and improved. As a stimulus to tourist propaganda, 655 documentaries were distributed abroad and 35,000 black and white and colour photographs made available to information offices. The world press received 10,500 black and white and colour photographs dealing with works of art, monuments and local attractions in Italy, many of which were ultimately included in publicity aboard trains and public transport. Approaches were made to 250 daily newspapers and periodicals of 27 nations and 2,000 advertisements appeared in 131 newspapers and 119 periodicals.

1956 witnessed the publication of various other numbers of the «Guidine regionali» series, new offices and information centres were opened at Lima, Peru and at Port Elizabeth, Laurence Marques, and new premises found for agencies in New Orleans, Santiago del Cile, Beirut, Istanbul and Dusseldorf. The propaganda programme was intensified with the distribution of 33,000 photographs and 318 new documentaries for foreign distribution. Insertions in the foreign press increased, information being sent to 206 daily papers, and 157 periodicals of 32 countries. Films for television were also produced and distributed and met with great success, while E.N.I.T. representatives in the United States made available a series of shorts for motion picture theatres and television. New leaflets and publications were also sent abroad for window displays in shops in the United States, Canada and European countries. Italian and foreign radio stations broadcast some 800 special programmes dedicated to tourism in this country, while new television programmes were arranged for weekly transmission from Monte Carlo, Luxembourg and Saar.



By the end 1957, the E.N.I.T. network of offices and representatives abroad amounted to 29 delegations and 21 correspondence departments. New offices are to be opened this year in Greece and Venezuela, and those in South Africa are to be reorganized. Several new and valuable publications were published last year and are expected to make a great contribution towards appreciation of the tourist facilities Italy can provide. 360,000 copies of a special edition devoted to 24 subjects, which illustrate the known and unknown beauties of Italy, were also prepared and distributed. Under its motion picture programme, E.N.I.T. has now completed five special series: « Accade in Italia », eleven shorts in black and white, dealing with current events; « Arcobaleno Italico », in colour, illustrating 14 possible trips through Italy; « Visioni d'Italia », twelve colour shorts, also available in Cinemascope; « Città d'Italia » in colour and also in 16mm. version, on the beauties and monuments of the chief cities of Italy; « Aspetti d'Italia », in colour, including 14 subjects illustrating the beaches, mountains, lakes, health resorts and regions of Italy. 3,000 shorts and documentaries, dubbed in the principle languages of the world, are estimated to have been in distribution during 1957, with special prints for the United States market. By the end of the past year, E.N.I.T. had placed 1,412 advertisements in 180 daily newspapers and another 460 in 155 weekly magazines, periodicals and various publications printed in 32 countries.

The agency has also taken a very active part in expositions, fairs and conventions both in Italy and abroad. This form of activity began in 1950 with the Exposition of National Reconstruction, held in Rome at the Exposition Palace. Since 1951, E.N.I.T. has maintained its own pavilion at the Milan Fair, and has had its own stands at 340 fairs, expositions and exhibitions held in Italy and various other countries. From 1947 to December 15, 1957, it has distributed over 70,000 cases of printed material.

*The Southern Italy Development Fund and Tourism.* It is well worthwhile quoting some of the schemes undertaken by the Southern Italy Development Fund towards the encouragement of tourism. Much has been done by this agency towards developing those areas which are likely to prove attractive to visitors, laying roads, building aqueducts and drains. Special projects have been introduced and approved for zones which are already well known to tourists, such as Ischia, Capri, Sorrento, Amalfi, Taormina and Syracuse. The public works plan, completed in some areas, almost completed in others, calls for a total expenditure of 25 milliard lire. Apart from roads, bridges, aqueducts and drains, the Southern Italy Development Fund has also been responsible for exploiting archaeological zones and admin-

istering excavations, restorations, national monuments and museums. The agency has also drafted plans for modifications and improvements to health resorts and the general tourist apparatus in the southern regions through the issue of mortgages and loans totalling 4.5 milliard lire. Road plans include those for the island of Elba, Terminillo, Circeo, Terracina-Gaeta, the Adriatic zones, the Pompei-Salerno highway, Sicily and Sardinia and the splendid «Strada del Sole» (*Sun Highway*) over the Ceremenna hills. In the Sila area, Campitello and Villagio Mancuso have been linked by good roads while the chief tourist centres at Gargano and Selva di Fasano in Apulia have been connected to the main road network. The Southern Italy Development Fund has also financed improvements to local railway services, particularly those lines dealing with heavy traffic. Schemes approved by the agency include double tracks along the Battipaglia-Reggio Calabria route, the electrification of the Bari-Foggia line and the Foggia-Pescara line. Further work is under way along the Reggio Calabria-Metaponto-Taranto-Bari route. Funiculars and mountain railways, affording considerable tourist interest, such as around Etna, have also been improved and modified, and much has been done towards improving the services offered by the many small islands off the Italian coast.

The question of sufficient water supplies to tourist centres has been carefully studied, and an important contribution towards the solution of this problem has been made with the construction of under-sea aqueducts serving Ischia and Procida. Other aqueducts have been built to serve Terminillo, the Sila, Castel del Monte, the Foresta Umbra in Apulia, Rifreddo, Monte Pellegrino in Sicily and Alghero in Sardinia.

The Southern Italy Development Fund has also intervened with schemes for developing and organizing excavations, restoring national monuments and generally bringing archaeological beauties to the attention of the public. It has been particularly successful in the Valle dei Templi at Agrigento and the Parco del Paradiso at Syracuse. New excavations have been started at Pompei, Terme di Baia, Herculaneum, Paestum, Canne della Battaglia, Solunto, Gela, Piazza Armerina and ancient Naxos near Taormina. The «Fund» has also modified old museums and opened new ones in southern Italy; the Museo della Reggia at Capodimonte, Naples, the Numismatic Museum at Syracuse, the «Antiquaria» at Gela and the Palatine Tables of Metaponto at the Abatellis Gallery in Palermo have all benefitted from current schemes. Others include the Pottery Museum at Caltagirone, the archaeological museums at Paestum and Lipari, and the Lombardy Castle at Enna. Large sums were also invested in repairs

and modifications to the Emerald Grotto at Amalfi, the Pertosa Grotto at Salerno, the Castellana Grotto in Apulia, and the development of spas in the southern regions.

The agency has also done a very great deal towards developing the hotel structure in the area under its jurisdiction. It has been responsible for financing 33 «Jolly» hotels and other accommodation for tourists, accomplishments to date raising available hotel rooms by 3,691 for a total of 6,372 beds and 2,827 bathrooms.

*The Italian Touring Club.* A panorama of the past ten years of the Italian tourist industry would not be complete without a few words about the «Italian Touring Club». The club originated in Milan in 1894 and, during its sixty years of activity, has greatly contributed towards improving the cultural level of the Italian people and making the country better known to foreigners. The statute of the association requires that it protects the natural beauties and the historic and artistic treasures of the nation, and encourage tourism as a means of prosperity and civic education. In 1945, the club counted 26,875 members but today this figure has risen to 467,660 of which 317,660 are annual subscribers and 150,000 life members. A further 106,000 students belong to a section which is entitled «Scholastic Tourism». The Italian Touring Club publishes six periodicals, among them «Le Vie d'Italia», «Le Vie del Mondo», «Le Strade» and «Marco Polo», the latter specially written for secondary school students. Supporting a plan for social tourism, the club organizes collective and private holidays, excursions and camping vacations and has formed a «Travelling and Holiday Fund» which enables members to enjoy special price reductions and to pay into a special holiday fund which is open all through the year. The publishing activity of the club is of great importance. Its series «Guide d'Italia» has reached several million copies and the many maps it prints have become world famous. Recently, the club introduced a new series of publications known as «Conosci l'Italia» (*Know Italy*); the first two, «L'Italia Fisica» and «La Flora» have already met with great success, and over 450,000 copies of each have been sold so far. Other volumes published by the Italian Touring Club include «Attraverso l'Italia», «Italia in Automobile», «La Guida Breve» (in three volumes), «Guida d'Italia» (in eight volumes), translated into all the principle languages, and the «Guida dei Monti d'Italia». The «Grande Atlante Internazionale del T.C.I.» was completed in 1957 and is judged to be one of the best of its kind in the world.



# ITALIAN LINES



## ITALIA

Verth and South America - Central America North and South Pacific

## LLOYD TRIESTINO

Asia - Africa - Australia

## ADRIATICA

Egypt - Israel - Lebanon - Syria - Cyprus - Turkey - Black Sea - Greece

## TIRRENIA

Libya - Tunis - Sicily - Sardinia - Corsica - Malta - Marseilles -  
Spain - Northern Europe

## OIL PRODUCTION IN SICILY

**1,260,000 tons, equal to 91% of the national output**

The creation of Sicily as an autonomous region paved the way towards an industrial economy in which oil has played an increasingly important role. The Regional Authorities (1) have been operating under two laws, of direct interest to the oil industry, which have permitted the maximum growth of this branch of economy. The Law of August 5, 1949, No. 45, covered initial geological and geophysical research which was put into the hands of a special Committee operating under the National Methane Agency and the National Fuels Group. The results which were obtained and the careful marking of those zones considered likely to produce oil revived public interest and the authorities began to receive large numbers of requests for licenses. Under the Law of March 20, 1950, No. 30, the Region, availing itself of the authority vested in it over matters relating to research and exploitation, drafted the rules and regulations which had to be followed in regard to liquid and gaseous fuels discovered in the subsoil within its jurisdiction.

From the time the regional laws came into operation and up to the end of 1957, 117 wells were bored in Sicily, of which 61 are to be found in the three concessions so far authorized for exploitation. These are: Ragusa (43 wells), Gela (8 wells) and Fontanarossa (10 wells), the first two producing oil, the latter methane. A further 56 wells have been drilled elsewhere under license and, of these, 20 have given favourable results, 18 have proved to be dry and the remaining 18 uncertain.

*Oil production in Sicily during 1957 was 1,260,000 tons, equal to about 10% of the nation's needs and constituting about 91 % of national output; 1,107,000 tons were extracted from the Ragusa fields alone, and 40,000 tons from Gela.*

Production in the Sicilian fields tends to increase; the crude oil from Ragusa is expected to reach 1,600,000 tons during the current year and the prospects for the Gela fields are also good. Experts are also optimistic over yield from other zones, Vittoria among them, in which *British Petroleum* is operating.

The growth of the oil industry has given a stimulus to regional finances in the form of surface rents and royalties and taxes due the Local Government. State finances have benefitted even more, partic-

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(1) See: *Statute of the Region of Sicily* - « Italian Affairs », Vol. VII, No. 1, pp. 2021-2028.

## PERMITS ISSUED FOR RESEARCH OF LIQUID AND GASEOUS FUELS IN SICILY. SITUATION AT JANUARY 20, 1958

C O M P A N Y	Zone permit	Area Ha.	Wells drilled		Result		Strati- gra- phic Wells	Expen. 3 yr. period, Mill- ion Lire	Date of Concession
			No.	Depth mts.	Neg.	Pos.			
Soc. S.I.T.O. di Trapani .....	Trapani	42,023	1	1,483.77	—	1	—	450	27-8-1954
Soc. S.I.R. di Catania .....	Segesta	37,688	1	3,194.30	—	1	—	450	27-8-1954
Soc. Idrocarburi Barrafranca-Caltanissetta .....	Barrafranca	27,964	1	1,524	—	1	—	550	27-8-1954
Soc. Idrocarburi Piazza Armerina-Caltanissetta .....	Piazza Armerina	33,980	1	3,760.67	—	1	—	550	30-11-1954
Soc. Min. Sigona - Syracuse .....	Sigona Grande	21,991	1	1,830.63	—	1	—	550	10-7-1954
Soc. S.I.F. Syracuse .....	Francoforte	29,220	1	2,654	—	—	—	200	7-5-1953
Soc. S.I.R.P. Catania .....	Lentini	4,860	1	532.40	—	—	—	800	30-11-1954
Soc. S.I.S. Syracuse .....	Syracuse	54,418	1	3,447.29	—	—	—	380	10-11-1954
Soc. S.I.S. Syracuse .....	Borranica	9,924	—	—	—	—	—	480	30-11-1954
Soc. R.O.I. Palermo .....	Poggoreale	23,490	—	701	—	—	—	640	10-11-1954
Soc. S.I.T. Palermo .....	Fiume Platani	34,970	1	2,013.20	—	1	—	300	10-11-1954
Soc. Platani Petroli Palermo .....	Capizzi	64,105	1	610.82	—	1	—	600	10-11-1954
Soc. Capizzi Palermo .....	Raddusa	26,132	1	611.22	—	1	—	600	10-11-1954
Soc. Lercara Palermo .....	Lercara	38,128	1	3,051	—	1	—	1,000	10-11-1954
Soc. Lercara Palermo .....	Almenza	65,902	1	3,051	—	4	—	600	27-9-1952
Soc. Petroli dell'Isola Palermo .....	Mendola	33,728	12	12,224.20	8	—	—	180	9-7-1955
Soc. M.I.S.O. Catania .....	Balchino	9,400	1	2,277.80	—	1	—	230	9-7-1955
Id. .....	Lercara Friddi	17,247	1	470	susp.	—	—	200	9-7-1955
Id. .....	Castagirono	11,900	1	497.20	—	—	—	200	9-7-1955
Id. .....	Castagirono	65,590	2	2,721	—	—	—	350	29-3-1955
Agip Mineraria .....	Chiusa Sclafani	83,800	2	—	—	2	—	400	17-9-1955
S.A.I.P. Milano .....	S. Croce Camerino	7,520	2	1,272	—	—	—	180	19-9-1955
Id. .....	Gagliano	68,400	1	418	—	—	—	400	17-9-1955
Soc. Vulcano .....	Saichi	30,350	1	3,060.30	—	—	—	300	17-9-1955
Id. .....	Gioitto	20,614	3	5,450	3	—	—	60	30-6-1952
Soc. A.R.P.E. .....	Mascalucia	31,080	3	4,779.20	—	—	—	635	27-8-1954
Id. .....	Augusta	22,440	1	2,641.70	—	1	—	80	30-6-1952
Id. .....	Catenuova	26,500	—	—	—	—	—	250	4-5-1957
S.I.R.P.E. .....	Castrolibbio	12,900	3	3,080.60	—	—	—	150	4-5-1957
Soc. Meridionale Ruerche Petroliere .....	Enna	55,958	—	—	3	—	—	260	18-7-1953
Soc. Saia Viscosa .....	Ramacca	21,705	1	1,547.50	—	—	—	200	15-1-1955
Id. .....	Lentini II	8,164	2	3,914.10	—	—	—	200	13-1-1955
Id. .....	Vittoria	35,664	2	1,470	1	—	—	700	16-6-1951
C.I.S.D.A. .....	S. Pietro	15,596	1	—	—	—	—	550	27-8-1954
Id. .....	La Maddalena	1,006	—	—	—	—	—	30	15-1-1955
Ing. Franco Fenzi .....	Comiso	9,584	1	2,267.71	—	—	—	150	16-1-1951
Medit. Oil Company .....	Argonza Lioista	42,050	1	3,078.48	—	—	—	200	16-1-1951
Id. .....	Caltanissetta	17,311	1	2,000	—	—	—	190	16-1-1951
Id. .....	Bagheria	7,919	—	—	—	—	—	180	6-8-1955
Soc. l'Aquila Mineraria .....	Punta Secca	2,935	—	—	—	—	—	50	19-2-1955
Id. .....	Montalegre	5,986	—	—	—	—	—	40	21-2-1953
Id. .....	Noto	82,073	2	1,679	—	1	—	850	9-10-1954
C.O.R.I.S. .....	Villarosa	21,560	—	—	—	—	—	200	11-5-1957
Soc. Tiscaria Idrocarburi (S.T.I.) .....			—	—	—	—	—	1,635	



ularly through building tax levies on the petroleum industry which brought in 3,470 million lire during the 1949-50 financial year. There has been a steady rise since that period as the following table shows:

1950-51	.....	4,968	million lire
1951-52	.....	6,432	» »
1952-53	.....	8,223	» »
1953-54	.....	10,873	» »
1954-55	.....	13,261	» »
1955-56	.....	15,668	» »

Data relative to the financial year 1956-57 are still not known but, judging by the rise in oil production and refining, it is reasonable to suppose that the 1954-55 figures will be surpassed and that the current year will close with even better results.

More than once, during discussions on Bills which consider appropriations for the industrial development of Sicily and during the debate on the 1957-58 budget estimates for the Region of Sicily, two definite policies were outlined by experts: 1) speeding up of research and exploitation and 2) permitting the Region to have a share in the income received from exploitation of fields which are operated by the National Fuels Group. (1)

In order to speed up research and exploitation, regulations concerning the issue of permits and concessions have been modified. The power of the Regional Authorities has been increased and research periods have been reduced by half, or even to a third, in order to accelerate discovery of oil. As a means of permitting regional participation in exploitation of certain fields, an agreement has been drawn up with the National Fuels Group which contemplates the issue, by the Group, of licenses to operate in zones it controls to companies formed in Sicily and, if oil is discovered, the inclusion of « Finanziaria », constituted under Paragraph III of Regional Law, No. 51, among the shareholders of such companies. This means that, in addition to income and *royalties* received under various laws and regulations, the region also receives a portion of the profits through « Finanziaria » and can control administration through the appointment of its own representatives to the board.

Finally, in order to make sure than the region may enjoy greater liberty of action in its relations with concessionaries, a special clause has been introduced into regulations which permits the Authorities to request payment in certain products and by-products arising from refining rather than cash payment of *royalties*. This means that the

(1) See also: *The Petroleum Industry* - « Italian Affairs », Vol. VI, No. 1, pp. 1577-1580.

Regional Authorities may make their own decisions relative to the employment of such material as is found locally.

Regional policy on oil has not been limited to encouraging research and exploitation alone and the use of the crude oil produced. If such had been the case, the situation would have remained static at the initial phase. The benefits which petroleum resources can bring to Sicilian economy in general are not to be calculated solely as increases in income and possibilities of large investments in the industry. The growth of this very industry has led to the building up of minor undertakings connected with it and it has, therefore, become a catalyst for the development of other productive sectors.

The most immediate result of the discovery of oil in Sicily has been the general beneficial influence on the whole of the island. Undoubtedly, there has been a very definite improvement in the living standard of the people in and around Ragusa, all of whom have witnessed the results of increased industrial activity.



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## ROADS AND HIGHWAYS

## Adjusting road communications to meet the growing demands of trade and tourism

Every year which passes witnesses additions to the road network in Italy, particularly to those tracts which come under the provincial and communal authorities (see Table I).

Table I — LENGTH OF ORDINARY ROADS (KMS): SITUATION AT JAN. 1. OF EACH YEAR (a)

YEAR	State			Provincial	Communal	Total
	Macadam		Total			
	Plain	Metalled				
1954 .....	4,185	20,629	24,814	39,965	106,032	170,811
1955 .....	2,268	22,543	24,811	40,996	105,395	171,202
1956 .....	1,463	23,357	24,820	43,126	107,229	175,175
1957 .....	1,092	23,828	24,920	44,487	107,541	176,948

(a) Source: Azienda Nazionale Autonoma delle Strade Statali (ANAS) and Ministry of Public Works. Land reclamation roads, side roads and mule tracks are excluded.

Table II contains analytical details of the length and category of State, provincial and communal roads.

Studying this table, it will be seen that although the State roads are proportionately distributed throughout the country, provincial

Table II — LENGTH OF ORDINARY ROADS AT JANUARY 1, 1957

YEAR	State			Provincial	Communal	Total
	Macadam		Total			
	Plain	Metalled				
Piedmont .....	53	1,401	1,454	4,258	16,016	21,728
Valle d'Aosta .....	17	125	142	189	248	579
Lombardy .....	37	1,283	1,320	3,435	15,421	20,176
Trentino-Alto Adige .....	86	786	872	527	3,402	4,801
Venetia .....	72	1,106	1,178	1,605	16,423	19,206
Friuli-Venezia Giulia .....	28	407	435	467	4,150	5,052
Trieste .....	—	86	86	45	415	546
Liguria .....	5	592	597	869	1,911	3,377
Emilia-Romagna .....	24	1,252	1,276	3,509	16,186	20,971
Tuscany .....	34	1,550	1,584	3,778	9,564	14,926
Umbria .....	5	604	609	844	3,207	4,660
Marches .....	7	621	628	743	5,654	8,025
Latium .....	—	1,344	1,344	3,013	3,123	7,480
Abruzzi and Molise .....	33	1,719	1,752	3,486	2,013	7,251
Campania .....	15	1,525	1,540	3,834	2,513	7,887
Apulia .....	—	1,747	1,747	3,655	2,085	7,487
Basilicata .....	167	1,046	1,213	1,207	405	2,825
Calabria .....	87	2,344	2,431	1,860	1,365	5,656
Sicily .....	167	2,702	2,869	3,949	2,351	9,169
Sardinia .....	255	1,588	1,843	2,214	1,089	5,146
ITALY ...	1,092	23,828	24,920	44,487	107,541	176,948



and communal roads are more numerous and important in the richer northern regions. Piedmont, Lombardy, Venetia and Emilia-Romagna each have a total of about 30,000 kilometres, while Tuscany has 15,000 kilometres. But the great regions of the South, such as Campania, Apulia and Sicily, reach totals which are considerably less.

New highways planned by the State include the « Autostrada del Sole » (*The Sun Highway*) which is due to be finished in 1963. Over 738 kilometres in length, it will connect Milan with Naples and the northern regions with those of the South.

Table III – THE SUN HIGHWAY (a)

TRACTS OF NEW HIGHWAY	Completion Date	Length (kms)	Cost (million lire)
Milan-Piacenza .....	31-12-1959	57	14,020
Piacenza-Bologna-Florence .....	31-12-1960	223	59,000
Capua-Naples .....	31-12-1959	40	6,480
Florence-Orvieto .....	31-12-1963	160	41,500
Orvieto-Rome .....	31-12-1963	100	25,900
Rome-Capua .....	31-12-1963	158	37,700
« Sun Highway » .....		738	184,600

(a) Source: I.R.I. 1956: Appendix to Report of Administrative Committee, Rome, 1957, p. 117.

Careful technical planning will mean that the highway can be safely used by fast traffic which will have ample space on the two wide lanes which are being built. The high cost involved, 184,600 million lire, will give some idea of the problems involved as building proceeds through the peninsular. The new road, after following a line which is approximately parallel to Via Emilia from Milan to Bologna, across the Po Plain, reaches Florence, after which it climbs through the Sub-Apennines to Orvieto. From here it runs to Naples through Capua.

It is no exaggeration to say that the « Sun Highway » will become the aorta of the Italian road communications network. Milan is the focal point for other highways running from the Po Plain, while Naples will eventually become the meeting point for those which connect it with the southern regions.

Although the « Sun Highway » is the chief project now being realized, work is going ahead on other highways in Italy. In Liguria, a splendid coastal road between Genoa and Savona, will enable tourists to fully enjoy the magnificent scenery as they pass over the great bridges thrown across the valleys of the « Riviera di Ponente » and escape from the many tunnels which have been built along this route. In Sicily, the Catania-Messina highway is to be followed by another joining Palermo and Catania, which will be especially useful to freight traffic as well as providing tourists with yet another chance of seeing the immeasurable beauties of the island.

## 1957 SPORTS PANORAMA

### A year of intensive and satisfactory activity

We will open this short summary with a quick glance at *football* which still proves to be the most popular sport in Italy (1). After many months of internal strife and differences of a technical character, the excellent results obtained by the national team and the first division clubs in international matches have done much to calm the waters. The 1956-57 Championship, played-off half way through the year, was won by «Milan», while in the current series «Juventus» has already claimed the championship. The first few months of the current series have been marked by difficulties met by first division clubs in fielding teams able to maintain the level expected of them and by a growing public interest in less known teams using younger elements. However, the Italian national team still attracted a great deal of attention during 1957 for, after losing matches at Zagreb and Lisbon, it managed to draw (2-2) with Northern Ireland in an away match which was refereed by a member of the local federation, a decision which gave rise to considerable criticism. Back in Milan, the Italian team scored a clear victory over Portugal (3-0) which contributed towards counteracting the humiliation of the earlier Lisbon match and eliminated Portugal from the finals of the World Cup. The final match, between Italy and Northern Ireland, played at Belfast on January 15 of this year, brought defeat by 2 goals to 1 and elimination from the finals for the World Cup.

Last year produced no real successes for *basket-ball* or *rugby* and Italian teams playing in world championships were unfortunate. An Italian team took part in the European basket-ball championships at Sofia but did not succeed in entering the finals, mainly because of the absence of leading players. The Italian rugby team, although successful in its matches against Germany, was beaten by France and England. Although it is true to say that rugby is much more widely followed in both of the latter countries, it is obvious that the game has not made that technical progress in Italy which was believed. At home, the basket-ball (Series A, Men) and rugby championships were won respectively by «Simmenthal Monza» and «Rugby Parma».

The popularity of basket-ball has, on the other hand, spread enormously, particularly in schools. Junior championships have done much towards making the game more widely known, and serve to draw attention to promising players. Rugby, too, is drawing more followers,

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(1) See: *Association Football Championship* - «Italian Affairs», Vol. VII, No. 1, pp. 2061-2064

but the situation is more sporadic and limited to particular towns where local clubs and their supporters are making noteworthy efforts towards popularizing a sport which is still very young in Italy.

Much the same thing may be said about *baseball* which is still very much in its youth. Once again, local clubs and supporters are making valiant efforts towards bringing this sport to the attention of the public and a national series has already been organized. The championship continues to be held by « Nettuno ».

After the successes of the Olympic Games, *light athletics* have obtained no sensational results. However, the season has proved to be interesting, particularly towards the end, when several young athletes came to the fore to flank those who have given good proof of themselves over the past few years. The meeting at Chambéry brought to light the possibilities of these youngsters, who are likely to do much better in the future. For the most part, they are not much older than eighteen and need technical training and advice. For women, 1957 did not prove to be a very successful year, although the high-jump (1.63 m.) won by Miss Giardi was impressive.

There are signs, however, which point to future improvements in light athletics in coming years. For some time now, younger elements have been encouraged and trained and great assistance has been obtained from the introduction of schools' championships. Thus, the past year must not be judged entirely by its successes or non-successes, but mostly from the training period preceding the Olympic Games (1).

*Gymnastics* have brought forward a new name, Carnoli, of Emilia, a new Mens' champion who has brought fame to Italy. But Italians have also been to the forefront in international meetings, the national teams (men and women) obtaining successful placings against Germany and Hungary. These victories, which were obtained in Rome (Germany) and Prato (Hungary), once again showed the world the strength of Italian gymnastic teams.

The year 1957 closed with four Italian *boxing* champions (D'Agata, Loi, Marconi and Calzavara); D'Agata, however, lost the world bantam-weight title to Halimi when the two met in Paris. After the Olympics, attempts were made to increase the ranks of young aspirants and provide a pool from which a national team can be drawn. Experts are still busy with training programmes which, it is hoped, will produce a number of possibilities for all classes. Boxing is a sport which still remains very popular in Italy and it is to be hoped that the Boxing Federation will be able to train some elements worthy of

(1) See also: *Italy in the XVIth Olympic Games at Melbourne* - «Italian Affairs», Vol. VI, No. 4, pp. 1837-1840.



flanking the European champion, Benvenuti, who today personifies amateur boxing in this country. Future prospects appear to be reasonably good at the moment, both for amateurs and professionals. Duilio Loi, one of the best Italian boxers at the moment, will probably make an attempt for the world championship.

The most sensational successes of the year were gained in *swimming*. Under the expert eyes of their trainers, Italian swimmers of both sexes have rapidly closed the distance which separated this country from other nations which excel in this particular sport. In fact, Italy is now well to the fore and, in some cases, world records have been equalled. The constant breaking of existing Italian records, all the way through 1957, testifies to the ability of the elements Italy is now getting ready for the 1960 Olympic Games. International meetings — apart from defeats suffered by the *water-polo* teams — saw Italy victorious against Switzerland, Sweden, France, Yugoslavia and it was only against England, during the championships held at Glasgow, that success was snatched from the light blue teams. But there is no doubt that Italian sport has made its greatest progress in swimming and, since the generally young age of the new national champions of both sexes and the efficiency of the training programme point to even greater successes in the future, major interest is being paid this sport.

*Yachting* has not proved altogether successful, although several new names have come to the fore. *Rowing* had a successful year with the « Moto Guzzi » crew winning one of the most famous competitions: the European « eights ». The careful training programme to which Italian rowers were subjected enabled Italy to beat all comers at Duisburg, including the Soviet Union.

A rather unstable year for *speedboat racing* concluded with the tragic death of the world champion, Selva, at Florida as he was leading the field in one of the most difficult and most important races in the world.

Two world titles — women's foils and men's sabres — helped *fencing* to round off a year which had not been too brilliant. The traditional superiority of France and Italy has been challenged and broken, in the past few years, by the teams produced by Hungary and Russia which now represent two of the world's most quoted competitors.

*Tennis* has produced but poor results. Accustomed to supremacy in Europe for many years and probably overconfident through reaching the finals of the Davis Cup, the Italian team was eliminated by Belgium in 1957 and went on to meet defeat in other world matches. Italian champions for men's and women's singles in 1957 were once again Beppe Merlo and Silvana Lazzarino.

The last *winter sports* season witnessed Italian entries carrying off several important prizes and the generally satisfactory condition is undoubtedly due to the three victories gained by Carla Marchelli at Grindelwald. Monti and Alverà carried off the twin bob-sleigh world title and a second was obtained by the Italian team in the four-man bobsled competition.

The most popular sport after football is *cycling*, (1) but 1957 did not prove to be one of its most successful years, although there were several individual triumphs. Many of the great champions have retired from active participation in this sport and this was followed by a period of stagnation and disorientation, although there were attempts to bring back some of the old fire. Many of the younger elements made bold efforts to assert themselves and several of them will undoubtedly be the champions of tomorrow. Foremost among the latter were Baldini, excellent over long distances and holder of a sprint record over a long period, and Pambianco who just missed winning the World Amateur Championship at Waregem. Sabbadin, an excellent climber, has also shown that he possesses qualities which will enable him to go much further. After a hard battle against France, the « Giro d'Italia » was won by Gastone Nencini, who also won several mountain laps in the Tour de France. The successes of Simonigh and Gandini, first and second in the World Amateur Championships for Track Cycling, were followed by several defeats which prevented Italian cycling from continuing to enjoy the pre-eminence it had gained in the past. In other words, 1957 proved to be a year of transition, with some highlights but also a great deal of shadow.

*Motor racing* was hit by many adverse happenings during 1957. The death of Castellotti, the tragic events of the « Mille Miglia », and the retirement of several of the more experienced drivers and champions, had a very serious effect on the sport in Italy. The Italian firm, Ferrari, obtained notable successes, closely followed by Maserati, but the British industry has come out with some models which are a serious challenge to Italy supremacy.

*Motor cycling* had a much more satisfactory year; Italian manufacturers produced the best machines of the year and two well-known champions, Provini and Liberati, won the world championships, once again proving Italian supremacy in this sport. At the end of the season, however, the decision made by the majority of manufacturers to withdraw their support from most of the competitions has led to a situation which may not be easy to solve.

(1) See: *History of the «Giro d'Italia» cycling races* - «Italian Affairs», Vol. VI, No. 6, pp. 1999-2002.

*Equestrian sports* had an excellent year. Italian stables had a long series of triumphs in the various trotting meets and the victories of Crevalcore and Tornese proved that Italy still heads the list. The name of the unbeatable Braque, a champion which seems destined to closely follow the successes of other famous Italian horses, dominates the world of flat racing, but recognition should also be given to Tissot who ran well in the Ascot Gold Cup. Italy showed herself much weaker in steeple-chasing with the French again winning the Merano « Grand Prix ». But, in equitation, the successes of the previous years were again repeated all over Europe by Italian riders, the victors including the famous D'Inzeo brothers and Oppes. There is only space to mention the more important international victories of 1957 – eight out of 14 competitions, held in Paris, London, Warsaw, Dublin, Geneva, Ostend, Rotterdam. It is no idle boast to say that Italy still holds one of the leading places in the world classification.

\* \* \*

The above notes are somewhat condensed, but they will serve to show that Italian sport enjoyed a fairly intensive year in 1957 and that misfortunes were often accompanied by successes. But the fact that serious efforts were made to improve Italy's standing is, perhaps, much more valuable than the exploits of individual champions. This current year will show, through the eloquence of figures, statistics and classification, whether the training programmes and increased participation of new elements in all forms of sport, will produce new champions to bring further laurels to Italy.

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# ITALIAN RADIO BROADCASTS IN ENGLISH

<i>Rome time</i>	<i>Day</i>	<i>Programme</i>	<i>Wave Lengths (*)</i>
<b>PROGRAMME FOR NORTH AMERICA (EAST COAST)</b>			
01.30-01.50	Daily	News Bulletin, Talk and Records	19.48-25.20
<b>PROGRAMME FOR NORTH AMERICA (WEST COAST)</b>			
04.05-04.25	Daily	News Bulletin, Talk and Records	25.20-31.33
<b>PROGRAMME FOR AUSTRALIA AND NEW ZEALAND</b>			
10.00-10.15	Daily	News Bulletin	
	Sunday	Talk and Neapolitan Songs	
10.15-10.40	Monday	Symphony Music	13.91
	Tuesday	Opera Music	16.85
	Wednesday	Talk, Melodies and Songs	19.58
	Thursday	Talk, varied programme	
	Friday	Light Music and Songs	
	Saturday	Request programme and Mail Bag	
<b>PROGRAMME FOR NORTH-WEST AFRICA AND NEAR EAST</b>			
10.20-10.40	Daily	News Bulletin	19.84 25.20
<b>PROGRAMME FOR THE MIDDLE AND FAR EAST</b>			
11.45-12.25	Daily	News Bulletin	13.91 16.88 19.48
<b>PROGRAMME FOR SOUTH AFRICA</b>			
16.35-16.55	Daily	News Bulletin	13.91 16.88
<b>PROGRAMME FOR G. BRITAIN AND IRELAND</b>			
19.20-19.35	Daily	News Bulletin	
	Sunday	Opera Music	
19.35-19.40	Monday	Request programme and Mail Bag	
	Tuesday	Folk Music	31.33
	Wednesday	Music	49.92
	Thursday	Talk	
	Friday	Neapolitan Songs	
	Saturday	Talk	
18.55-19.10	Thursday	Problems of NATO	30.90
18.55-19.10	Monday	Problems of European Unity	41.24 50.34
<b>NOCTURNE FROM ITALY</b>			
23.35-06.40	Daily	Varied Musical Programme; News at 1; 2; 3; 4; 5; 6.	355

Please note: Possible changes in times and wavelengths will be notified during our transmissions.

(*)	13.91 metres = 21.56 Mc/s	25.40 metres = 11.81 Mc/s
	16.85 " = 17.80 "	30.90 " = 9.71 "
	16.88 " = 17.77 "	31.33 " = 9.57 "
	16.91 " = 17.74 "	41.24 " = 7.27 "
	19.48 " = 15.40 "	49.50 " = 6.06 "
	19.58 " = 15.32 "	49.92 " = 6.01 "
	19.84 " = 15.12 "	50.34 " = 5.96 "
	25.20 " = 11.90 "	355 " = 845 Kc/s

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	<i>Day</i>	<i>Time</i>	<i>Wavelength</i>
1st Programme	Holidays	6.40-11; 12-24.10	approx. 49.50 metres = 6.06 Mc/sec.
	Weekdays	6.40-9; 11-14.30; 16.20-24.10	" 31.53 " = 9.515 "
2nd Programme	Holidays	8.30-12; 18-23.30	" 41.81 " = 7.175 "
	Weekdays	9-11; 13-23.30	
3rd Programme	Holidays	16-18.30; 19-24 approx.	" 75.09 " = 3.995 "
	Weekdays	19-24 approx.	

## CALENDAR OF POLITICAL EVENTS

## MARCH, 1958

1. - The Chamber of Deputies unanimously approved a law requiring the Government to stipulate norms providing for sickness benefits to be extended to agricultural workers in cases of occupational diseases. This law is a further step in the actuation of a plan whereby social assistance is to be extended equally to industrial and agricultural sectors.

4. - Members of Parliament from Belgium, France, Western Germany, Gt. Britain, Italy and Holland — the member countries of the Western European Union — paid a visit to NATO Headquarters in Italy.

The visitors, who are all members of the Defence and Armaments Committee of the W.E.U., were received by Gen. Albert, Commander Allied Land Forces Southern Europe, and later by Gen. Fischer, Commander of U.S. Tactical Forces.

6. - Italian Deputy Premier and Minister for Foreign Affairs, Mr. Giuseppe Pella, acted as Chairman during a meeting of the European Council in Rome. Present were the Foreign Ministers of Belgium, Gt. Britain, France, Germany, Italy, Luxembourg and Holland.

9. - In public ceremonies held at Brindisi, President Gronchi paid a visit to the Free Port zone, which it is hoped will increase maritime traffic and the industrialization of this area. The President also inspected several new and important public works.

- At Verona, Minister Gava inaugurated the 60th International Agriculture and Livestock Fair, at which 3,000 exhibitors were present, representing 19 nations.

10. - At Taranto, President Gronchi inaugurated a swivel bridge on the navigable canal which unites Mar Grande

with Mar Piccolo. The ceremony included an impressive naval parade.

17. - Prime Minister Adone Zoli made public the Presidential Decree dissolving the Senate and Chamber of Deputies.

The Cabinet — as prescribed by law — deliberated on the date for the next General Elections, and decided upon Sunday, May 25, 1958.

The new Senate and Chamber of Deputies will meet on Thursday, June 12, at Palazzo Madama and Palazzo Montecitorio respectively.

25. - The Chairman of the European Committee, Mr. Hallstein, the Italian Deputy Prime Minister and Minister for Foreign Affairs, Mr. Giuseppe Pella, the Deputy Chairman of the Committee of the European Common Market, Mr. Malvestiti, the Deputy Chairman of Euratom, Prof. Medi, and the Mayor of Rome, Mr. Ciocetti, took part in special ceremonies held at the Rome City Hall to mark the first anniversary of the signing of the Treaties of the Common Market and Euratom. Mr. Hallstein, after describing the lengthy preparatory work which had gone towards the creation of the Common Market, mentioned the activity undertaken by Italy in the actuation of the idea. Mr. Giuseppe Pella closed the ceremony by expressing his confidence and satisfaction over the Treaties. Finally, the representatives of the European Common Market and Euratom were received by President Gronchi at the Quirinal.

29. - The general economic report issued by the Italian Government states that national income in 1957 rose to 14,905 milliard Lire against 13,939 in 1956. The agricultural sector saw an increase of 1.4 % and that of industry, an increase of 6.9 %. The following figures are indicative of the production level attained: 6.8 million tons of steel,

42.7 milliard Kwh of electricity, 1,741,000 habitable rooms. New employment for 300,000 workers was created, while labour income increased to 6,439 milliard Lire. Gold and currency reserves were increased by 285.7 million Dollars.

30. - After having inaugurated several public works at Pisa, among which the new Law Courts, President Gronchi went to Pontedera, where he inaugurated the construction of an important dam on the River Arno.

#### APRIL, 1958

5. - Italian Deputy Prime Minister and Minister for Foreign Affairs, Mr. Giuseppe Pella, received the Turkish Foreign Minister, with whom he discussed matters of mutual interest to the two countries.

He also received the Soviet Ambassador to Rome, who handed him a letter from the Soviet Prime Minister addressed to the Prime Minister of Italy, communicating the Soviet decision to suspend nuclear experiments.

12. - The XXXVI Milan Fair was opened in the presence of President Gronchi and the Minister for Industry. It takes on a particularly important aspect this year, in view of the introduction of the Common Market, the progress made by large and small Italian industry and the increasing participation of the United States, the Soviet Union and Poland. The fair increasingly reflects the enterprise and industry of the Italian people.

13. - The electoral campaign for the general elections of the two Houses of Parliament, held on May 25, 1958, was officially opened throughout the country.

20. - Speaking to leaders of the economic world in Milan, the Minister for Foreign Trade, Prof. Carli, examined the balance of payments and the current trade situation. Illustrating his speech with figures, he went on to say that the Lira may now be considered one of the «hard» currencies, a fact which is amply demonstrated by the growing use of the «multipla» Lira, and in increases in the «Foreign Capital» accounts, which have risen from 8,700,000 Dollars to 26,000,000 during the first three months of the current year. Professor Carli also illustrated expansion in exports over the same period.

24. - In Florence, the President of the Republic officially opened the «Artisans' Market» exhibition.

25. - The 13th Anniversary of the «Liberation» of Italy was solemnly celebrated throughout the country.

27. - The inauguration ceremony of the new petro-chemical plant at Ravenna (the largest in Europe) was held in the presence of Prime Minister Zoli and Ministers Bo and Medici.

#### MAY, 1958

1. - Labour Day celebrated throughout Italy. Pope Pius XII made a speech to 20,000 members of the Italian Workers' Christian Action from Rome and the provinces in St. Peter's.

President Giovanni Gronchi handed the Star of Merit for Labour to 500 persons chosen for their loyalty, sense of responsibility and ability.

3. - The President of the Republic sent a formal invitation to the President of Argentina, Arturo Frondizi, to visit Italy.

12. - President Gronchi and his wife left Rome for London on an official visit to Her Majesty Queen Elizabeth. This is the first time, during the post-



war period that an Italian president has been a guest at the Court of St. James. Before his departure, President Gronchi made a brief statement to the press in which he affirmed that «this visit marks the conclusion of an important period which has seen Anglo-Italian friendship assume a political function which may be regarded as one of the basic elements of western organization». The President observed: «Friendship between Great Britain and Italy is a clear necessity which is born, not only from natural sentiments, but also from a steady convergence of interests which have developed from common objectives desired by the peoples of both countries».

13. - The Italian press commented widely on the Italian President's official visit to Queen Elizabeth. On his arrival in London, President Gronchi was received by the Queen, the Duke of Edinburgh, Princess Margaret and representatives of British political and military circles.

14. - The Italian press reported that President Gronchi and the British Prime Minister, Mr. Harold MacMillan, exchanged views on various important world problems.

16. - President Gronchi returned to Rome on the conclusion of his official visit to London. Italian political, military and civic authorities were at Ciampino airport to meet him.

22. - The electoral campaign developed steadily throughout Italy with thousands of speeches reported from all the main towns and centres.

25. - General Elections in Italy. Voting continued all day Sunday and up to 14.00 hrs on Monday 26. No irregularities were reported and the percentage of voters was stated to be very high.

27. - The results of the General Elections.

#### *Chamber of Deputies :*

Christian Democrat Party: 12,520,207; Italian Communist Party: 6,704,454; Italian Socialist Party: 4,206,726; Italian Social Movement: 1,407,718; Italian Social Democrat Party: 1,345,447; Italian Liberal Party: 1,047,081; Peoples' Monarchist Party: 776,919; National Monarchist Party: 659,997; Italian Republican Party and Radicals: 405,782; Comunità: 173,227; South Tyrol Peoples' Party: 135,491; Others: 177,220.

#### *Senate :*

Christian Democrat Party: 10,780,864; Italian Communist Party: 5,700,959; Socialist Party: 3,687,612; Social Democrat Party: 1,136,796; Italian Social Movement: 1,122,036; Italian Liberal Party: 1,024,146; Peoples' Monarchist Party: 783,512; National Monarchist Party: 566,663; Italian Republican Party and Radicals: 367,412; National Monarchist Party and Social Movement (1): 334,031; Italian Communist Party and Socialist Party (1): 213,698; Comunità: 142,896; South Tyrol Party: 120,068; Piedmont Independent Party: 61,088; Socialist Party, Social Democrat Party and Left Wing Independents (1): 58,662; Social Democrat Party and Socialist Action Party (1): 45,952; National Labour Party: 3,588.

28. - The Prime Minister, Senator Adone Zoli, made an official visit to the Quirinal to inform President Gronchi of the results of the General Elections.

29. - The Cabinet met to discuss the results of the General Elections. A communique issued at the conclusion of the meeting stated: «The Cabinet, having heard the report of the Minister of the Interior, and having heard the results of the General Elections with general satisfaction, acknowledges the political maturity shown by the nation which has once again chosen its parliamentary representatives in an atmosphere of calm deliberation, acknowledged discipline and absolute seriousness».

(1) Refers to constituencies in which one candidate represented parties nominated.

## JUNE, 1958

2. - Official statement on the part of the electoral office of the first senators and deputies elected on May 25, and 26, 1958. Further results were issued as counting of the votes continued.

- The celebration of the anniversary of the Republic was held in all cities of Italy, with military parades and the presentation of medals to members of the armed forces.

- President Gronchi received leading political exponents at the Quirinal, together with leading military and civilian personalities, at a reception given in honour of the anniversary of the Italian Republic.

5. - A celebration was held in all Italian cities to mark the 144th anniversary of the Corps of the Carabinieri. President Gronchi reviewed Companies of the Corps in the Rome barracks.

11. - The Executive Council of the Christian Democrat Party was convoked to hear the report of Party Secretary, Amilcare Fanfani, on the actuation of the party program following the outcome of the general elections.

12. - The solemn inauguration of the third legislative term was held at Palazzo Madama and Montecitorio. Senator Merzagora and Deputy Leone were re-elected Speaker of the Senate and Speaker of the Chamber of Deputies respectively. Elected Deputy Speakers of the Senate were Senators Bosco and Ceschi (Christian Democrats), Tibaldi (Socialist) and Scoccimarro (Communist). Elected Deputy Speakers of the Chamber of Deputies were Bucciarelli Ducci (Christian Democrat), Licausi (Communist), Paolo Rossi (Social Democrat) and Targetti (Socialist).

- The President of the Republic was guest of honour at a ceremony held to mark the closing of the academic year at the Lincei Academy. During the ceremony, President Gronchi presented Professors Piero Leonardi (Ferrara University) and Giampiero Bognetti (Milan University) with presidential prizes for paleontology and mineralogy, and for anthropic and historical geography, respectively.

16. - President Gronchi was present at a regatta of the Marine Republics held in Venice, when he handed the trophy to the winning Venice crew.

17. - President Gronchi opened the Vth Nuclear Exposition at the Rome Fair Ground (E.U.R.).

18. - The Senate approved the provisional Budget Estimates for 1958-59, already approved by the Chamber of Deputies.

19. - Prime Minister Adone Zoli handed his Government's resignation to President Gronchi at the Quirinal, and later in the day President Gronchi started preliminary consultations for the formation of a new government.

20. - President Gronchi met with the Enrico De Nicola, ex President of the Italian Republic, with the Speakers of the Chamber of Deputies and of the Senate, with the ex Prime Minister and with leaders of the various parties.

26. - President Gronchi asked Christian Democrat party leader, Amintore Fanfani, to form a new Government. Fanfani reserved the right to accept, and started negotiations and discussions.

27. - Amintore Fanfani was received by President Gronchi and informed him of the results of his discussions.



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